

ANNUAL REPORT
2022-23



STRENGTHENING CAPABILITIES.
ENHANCING **POSSIBILITIES.** >>>

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Investor Information

Market Capitalisation [as on 31st March 2023]	: ₹ 724.84 Crores
CIN	: L24110GJ1986PLC009003
BSE Code	: 524370
NSE Symbol	: BODALCHEM
Bloomberg Code	: BODAL: IN
Dividend Declared	: 5% of Face Value i.e. ₹ 0.10 per Share
AGM Date	: 28th September 2023
AGM Mode	: Virtual

An electronic version of this report is available online at:

<https://www.bodal.com/annual-report-audit.php>

Scan this QR code which will navigate you to our AGM venue:



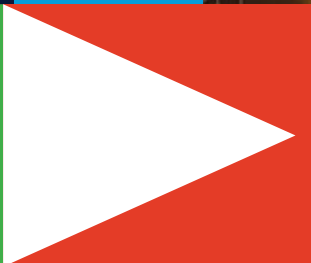
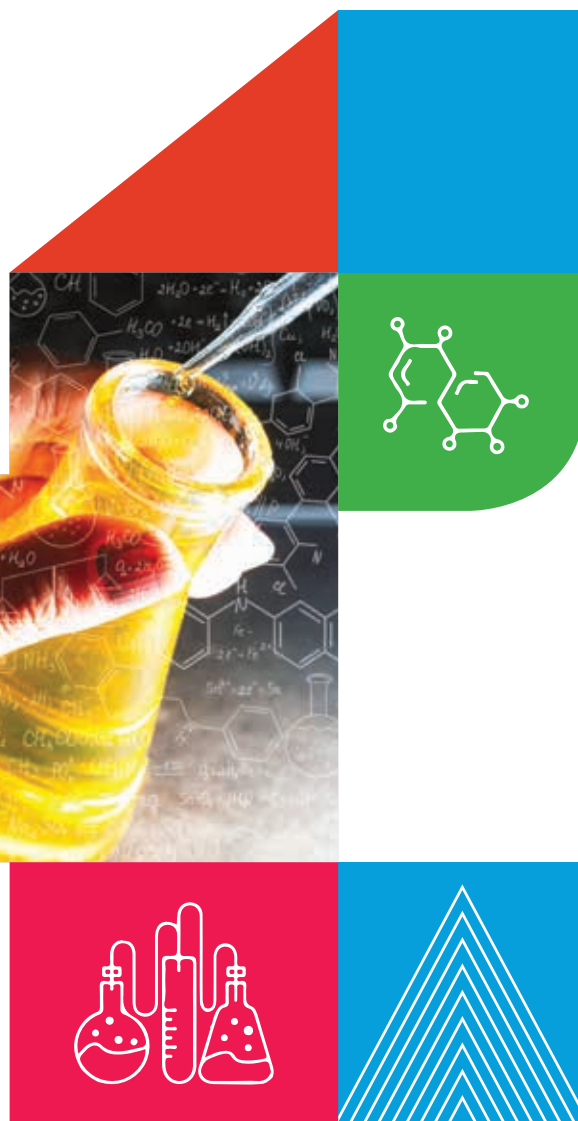
Disclaimer: This document contains statements about expected future events and financials of Bodal Chemicals Ltd., which are forward-looking. By their nature, forward-looking statements require our Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions, and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis section of this annual report.

STRENGTHENING CAPABILITIES. ENHANCING POSSIBILITIES. >>>

In a constantly evolving world, characterised by rapid technological advancements and shifting societal paradigms, the theme 'Strengthening Capabilities, Enhancing Possibilities' emerges as a guiding principle for Bodal Chemicals Ltd. It encapsulates the importance of cultivating and fortifying our abilities, while simultaneously exploring new horizons and expanding our potential.

We strongly emphasise on continuous learning and growth. Strengthening capabilities involves refining existing skills, acquiring new knowledge, and embracing innovation. This empowers us to confront complex challenges, adapt to changing circumstances, and unlock unforeseen possibilities.

Furthermore, we acknowledge the intrinsic connection between enhancing possibilities and fostering collaboration and inclusivity. By nurturing diverse perspectives, promoting inclusiveness, and harnessing the collective intelligence of global communities, we can create an environment that stimulates innovation and creativity. Through cooperation and establishment of bridges across disciplines, and cultures, we open up fresh avenues for exploration, discovery, and progress.



A Bird's Eye View

3

Decades in the Industry

70+

Distributors across India

10

Manufacturing Facilities

200+

Products

600+

Customers

30+

Countries

7

Domestic Depots

4

Overseas Depots

2

R&D Facilities



Financial Capabilities

We are strongly committed to delivering value to our stakeholders. At Bodal, we have made significant progress in our financial metrics, which demonstrates our ability to adapt and succeed in a dynamic market environment.

₹ 15,859 million

Revenue

₹ 1,450 million

EBITDA

₹ 380 million

PAT

(All figures are on consolidated basis)

Integrating Capabilities

FY 2022-23 was a steady year of growth as we moved up the value chain, added to our in-house capabilities, and built synergies.



99,000 MTPA

Caustic Soda Plant Capacity
(Current)

63,000 MTPA

Benzene Downstream Products
Plant Capacity (Upcoming)

₹ 3,40,000 MTPA

Sulphuric Acid Plant Capacity
(Upcoming)



Nurturing Holistic Growth

Throughout the year under review, we efficiently served our ESG commitments in line with our operational achievements. This reflects that we realise the impact of our business on our surroundings and are taking optimal measures to minimise any adverse effects of our business operations.

Located in the Western Belt of India

Largest Chemical Manufacturing Zone

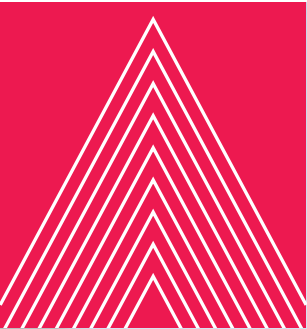
World's First Brine Treatment

Installed Plant at Unit-VII

3R Approach

Following the 'Reduce, Recover, and Reuse' Approach





About Bodal Chemicals Ltd.

One of the leading integrated dyestuff companies in India

Incorporated in the year 1989, Bodal Chemicals Ltd. (hereafter, referred to as ‘Bodal’, ‘Our Company’, ‘We’) is among the leading integrated dyestuff companies in India. It is a leading Indian exporter of dyes intermediate and dyestuff, today, with a vision to pursue excellence and consistency in performance.

In the past year, we ventured into newer avenues by diversifying our offerings and building further capacity. The Company is actively involved in building manufacturing capacity for benzene downstream related products. During the year under review, our Company has completed modernisation and capacity expansion at Punjab Unit-XII. This will significantly contribute to the broadening of our footprint and clientele. These strategic steps, coupled with synergies achieved through acquisitions like Punjab Unit-XII for chlor alkali production, are accelerating our Company’s endeavours towards further growth.

FY 2022-23: Successful Implementation of Plans around Key Focus Areas (KFAs)

KFAs	REVENUE	PROFITABILITY	DIRECT CLIENT RELATIONSHIP	PRESENCE IN TURKEY AND NEARBY MARKETS
Initiatives	<ul style="list-style-type: none"> ▶ Dyestuffs capacity of 35,000 MTPA will be ramped-up gradually ▶ Vinyl sulphone plant of 6,000 MTPA capacity at SPS has been commercialised ▶ Trading and marketing subsidiary will increase our presence in China ▶ Newly acquired chlor alkali products (Rajpura, Punjab Unit) have started contributing to our business and will increase gradually ▶ Greenfield Saykha project will lead to new level of growth with benzene downstream 	<ul style="list-style-type: none"> ▶ Amalgamation of SPS Processors with Bodal Chemicals, resulting in operational stability and profitability 	<ul style="list-style-type: none"> ▶ Opened multiple warehouses and incorporated marketing subsidiaries to strengthen relationship with marquee clients directly 	<ul style="list-style-type: none"> ▶ Acquired ~ 100% stake in Sener Boya to strengthen global presence

Product Portfolio and Capabilities

At Bodal, we recognise the importance of serving key industries and sub-industries. This has positioned us as one of the leaders in the Indian chemical industry today. Our substantial impact on the industry throughout the years has primarily been driven by the following key capabilities:



We are further diversifying our product portfolio and evolving from integrated dyestuff to niche value-added products such as benzene derivatives. These products are of significant use in the pharmaceutical, agrochemical, and paper sectors, among others. Our goal is to go up the value chain and expand our business beyond basic dyestuffs and intermediates, to include specialty chemical products. We are focussing on improving our stronghold in the market and increasing our product base to better serve the industry.



Existing Products

BASIC CHEMICAL (~12 PRODUCTS)

- ▶ Sulphuric Acid
- ▶ Chlorosulphonic Acid
- ▶ Sulphur Trioxide
- ▶ Para Nitro Aniline
- ▶ Oleum 23% and 65%
- ▶ Sodium Bisulphate
- ▶ Acetanilide
- ▶ Thionyl Chloride
- ▶ Beta Nephthol

DYES INTERMEDIATES (~25 PRODUCTS)

- ▶ Vinyl Sulphone and Derivatives
- ▶ H Acid
- ▶ F.C. Acid
- ▶ DASA
- ▶ Gamma Acid, K Acid
- ▶ Sulpho Tobias Acid
- ▶ MPDSA
- ▶ 4.N.A.D.P.S.A
- ▶ Meta Ureido Aniline
- ▶ 1:2:4 DIAZO
- ▶ 6-Nitro

DYESTUFFS (~175 PRODUCTS)

- ▶ Reactive Dyes
- ▶ Direct Dyes
- ▶ Liquid Dyes
- ▶ Acid Dyes

CHLOR ALKALI (6 PRODUCTS)

- ▶ Caustic Soda
- ▶ Stable Bleaching Powder (SBP)
- ▶ Sodium Hypochlorite (HYPO)
- ▶ Hydrochloric Acid (HCL)
- ▶ Hydrogen
- ▶ Chlorine

END-USER INDUSTRIES

- ▶ Textiles
- ▶ Leather
- ▶ Paper
- ▶ Water Treatment
- ▶ Home Care

New Additions

BENZENE DERIVATIVES


- ▶ MCB
- ▶ MNCB
- ▶ PNCB
- ▶ ONCB

END-USER INDUSTRIES

- ▶ Pharma
- ▶ Agro-Chemical
- ▶ Home Care

The Chairman's Message



At Bodal, we strongly believe that consistency is the key to a strong growth trajectory. Whether in terms of quality, performance, or planning, a consistent yet evolving approach has been a key enabler of our strong forward momentum. 

Dear Shareholders,

I am pleased to share Bodal Chemicals Ltd's performance through the annual report for FY 2022-23. In the year under review, we demonstrated flexibility and managed even the most pressing concerns with determination. We have grown to achieve progress paved with milestones, in the field of dye intermediates and related products. This involves strategically expanding our product portfolio by acquiring and expanding our operations in benzene derivatives.

Consistency has been the cornerstone of our growth trajectory at Bodal. Whether it is maintaining high-quality standards, delivering strong performance, or implementing effective planning, our consistent yet evolving approach has been instrumental in driving our forward momentum.

Economic Scenario

In the past few years, India has emerged as one of the fastest-growing economies, achieving a growth rate of 7.2% in FY 2022-23. The Government of India has increased capital expenditure to support the medium-term revival of the economy, while the Reserve Bank of India (RBI) has implemented a calibrated monetary policy to boost the nation's growth momentum.

Key Strategies Undertaken at Bodal

At Bodal, we have pursued three key strategies for our ongoing growth:

- ▶ Scaling up our existing capacity
- ▶ Expanding our export business
- ▶ Completing the Saykha project by FY 2023-24

While navigating through uncertainties, we remain committed to exploring potential opportunities in the industry. Our aim is to maximise our potential and continually enhance our strengths by delivering exceptional performance. Looking ahead, we are focussed on leveraging the benefits of the China +1 strategy and actively contributing to the 'Make in India' initiative. By increasing our production of dyestuffs, we are reducing India's reliance on other countries for dyes intermediates. Moreover, we have implemented backward integration by establishing the basic chemicals and sulphur chemicals divisions within Bodal, which has enabled forward integration and further development of the dyes section in our business.

Our Performance

In FY 2022-23, our performance reflected resilience and commitment, recording the following figures:

- ▶ Total Revenue from Operations: ₹ 15,859 million
- ▶ EBITDA: ₹ 1,450 million (EBITDA Margin: 9.1%)
- ▶ Profit After Tax (PAT): ₹ 380 million

Road Ahead

The Indian chemical industry holds a significant market share globally, and has experienced a compound annual growth rate (CAGR) of 9.3% in recent years. With abundant key raw materials, cost-effective labour, and a substantial end-user

industry base, the industry is poised for further growth.

At Bodal, our commitment is to enter into diverse range of chemical products beyond dye intermediates and dyestuff. This expansion has enabled us to truly transform into a comprehensive chemicals company, offering solutions across industries including textiles, leather, paper, and more.

Responsibility First

As a responsible company, we prioritise creating a safe work environment and adhering to the best management practices. Sustainability is embedded in our operations, and we actively contribute to social causes through our association with esteemed NGOs like YUVA and various other trusts. Our initiatives in health, education, and basic infrastructure have positively impacted the lives of many. Our safety, health, and environment (SHE) policy ensures that we address crucial areas of sustenance and growth, while maintaining a strong focus on societal and environmental well-being. We remain committed to achieving our long-term strategic plan (LTSP), with the ultimate goal of 'Target Zero Pollution,' as we balance the needs of our stakeholders.

Closing Statement

Our Company's fundamentals and its key strategies of forward-looking expansion and catering to customers are intact to support our strong growth prospects. I am confident we will start from where we left off and keep moving to be on a strong footing. In closing, I would like to thank the entire team at Bodal, for their constant commitment and efforts undertaken during the year. It is this pride of working with such an illustrious team that drives us every day as we work to honour our stakeholders' faith and investment in us.

I am also thankful to our Bankers and other stakeholders for their continuous support.

With regards,

Suresh J. Patel

Chairman & MD

Enhancing Possibilities through Our Manufacturing Capacity

Our Company's value chain is solely based on claiming a leading position as a supplier in the chemical industry. Therefore, to carefully realise our targets and effectively serve consumers, our Company abides by a set code of conduct. We emphasise on product reliability and fulfilling responsibilities to generate the least amount of waste and utilise by-products efficiently. With this, we undertook the following measures as a step ahead in making ourselves better able to gauge potential opportunities and become more self-reliant.



Geographical Presence



10 Total Manufacturing Facilities

3	Ahmedabad, Gujarat	
4	Vadodara, Gujarat	
1	Khambhat, Gujarat	
1	Rajpura, Punjab	
1	Kosi, Uttar Pradesh	

3 In-House R&D Labs

1	Ahmedabad, Gujarat	
2	Vadodara, Gujarat	

11 Depots (Exclusive Distribution Warehouse)

7 INDIA

1 CHINA

1 TURKEY

1 BANGLADESH

1 INDONESIA

Acquisitions

Acquired **100%** Stake of Trion Chemicals

Acquired **Chlor Alkali Segment**

Completed Amalgamation
of S P S Processors Pvt. Ltd. with the Company

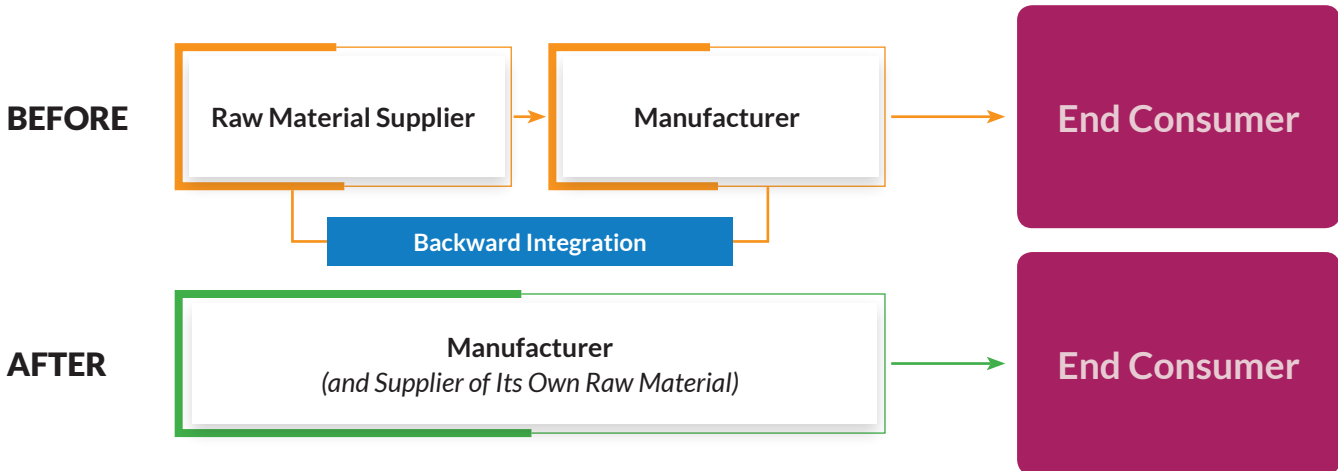
Acquired **100%**
Stake of Sener Boya, a Turkish Entity

Our Subsidiaries

NAME OF COMPANY	LOCATION	STAKE	FY 2022-23 REVENUE	DETAILS
Bodal Chemicals Trading Pvt. Ltd.	Gujarat, India	100%	₹ 0.01 million	Trading and Marketing Subsidiary
Bodal Chemicals Trading Shijiazhuang Ltd.	China	100%	₹ 293 million	Trading and Marketing Subsidiary for China
Sen-er Boya Kimya Tekstil Sanayi Ve Ticaret	Turkey	100%	₹ 623 million	Standardising, Trading, and Marketing Subsidiary for Turkey and Adjacent Countries
Pt Bodal Chemicals Indonesia	Indonesia	100%	₹ 20 million	Trading and Marketing Subsidiary for Indonesia

Backward Integration

At Bodal, we have undertaken backward integration to secure the supply of key raw materials like caustic soda, and para nitro chloro benzene (PNCB), among others. We have established our own production facilities for key inputs, ensuring a reliable and cost-effective supply. This enables us to mitigate the risk associated with external suppliers, maintain consistent product quality, and optimise our production processes.



Horizontal Integration





Through horizontal integration, our Company achieves product, industry, and customer diversification, reducing our reliance on a single product or market segment. This strategy enables us to leverage our existing strengths, enhance market presence, and create new opportunities for growth and expansion. In terms of product diversification, we have pursued horizontal integration by expanding offerings to include products such as para nitro chloro benzene (PNCB), ortho nitro chloro benzene (ONCB), and meta nitro chloro benzene (MNCB). These products are commonly used as intermediates in the production of various chemicals and pharmaceuticals. We are thus expanding our product portfolio, entering new industry segments, and catering to a wider range of customers.

Current Capacity

CATEGORY	CAPACITY (MTPA)	CATEGORY	CAPACITY (MTPA)
Basic Chemicals	2,26,000	Liquid Dyestuff	10,000
Dye Intermediates	39,000	TCCA	12,000
Dyestuff	35,000	Caustic Soda	99,000

Upcoming Project for Capex

The Saykha Greenfield Project (Gujarat)

<p>Products Project</p>	<p>~63,000 MTPA Benzene Downstream</p>
<p>Project Cost</p>	<p>₹ 3,900 million</p> <p>~₹ 2,700 million <small>Benzene Plant</small> ~₹ 1,200 million <small>Related Soft Cost including Onetime Infrastructure Cost</small></p>
<p>Expected Revenue</p>	<p>~₹ 3,200 million With EBITDA Margin of 12% to 15%</p>
<p>Expected Commercialisation</p>	<ul style="list-style-type: none"> ▶ Trial run expected in second quarter of FY 2023-24 for benzene derivatives ▶ Once we have decent visibility of demand and new site is stabilised, we will restart the sulphuric acid plant
<p>End-User Industries</p>	<p>  Pharmaceuticals  Agrochemicals  Dyes  Rubber industry </p>
<p>Key Rationale</p>	<ul style="list-style-type: none"> ▶ Enhance 'Specialty Chemicals Segment' ▶ Import substitution ▶ Integration for cost efficiency, better productivity, and high margins ▶ Portfolio diversification



Landscape of Possibilities and Opportunities

As India becomes the next potential manufacturing hub, there are numerous growth opportunities for different industries. For the chemical industry in particular, the global demand for bulk chemicals is currently being met by a handful of suppliers in India. Herein, our Company has been able to leverage our leadership position as an integrated manufacturer of dyestuff and dye intermediates.

Rising Exports: India's Increased Chemical Exports over the Last Few Years

India is among the top chemical industries in the world. With the reduction in the number of organised players in the Indian chemical industry alongside the nation's increased export business, there is an opportunity to tap the potential demand for chemicals on a global scale.

Bodal's Share

DYESTUFF MARKET SHARE



DYE INTERMEDIATE MARKET SHARE



(Above market share figures are based on management estimates)

Our Strengths

- ▶ **Integrated player:** We have a very strong international presence in China, Bangladesh, and Turkey, and cater to 45+ countries across the globe. About 32% of our revenue comes from exports. As a leading industry player, our performance contributes majorly to the country's ambitious 'Make in India' initiative and other growth plans, thereby boosting the chemical industry's performance. We are further undertaking backward and forward integration, with a major focus on the prior element, to improve our competency and build self-reliance
- ▶ **Continuous changes in internal efficiencies:** We are evolving with the changing times as a step ahead towards increasing our resilience against challenges. The effects of the Covid-19 pandemic were borne by the entire world and large-scale digitalisation brought in newer avenues of growth
- ▶ **Strict quality adherence:** At Bodal, we have established ourselves as a trusted long-term business partner for clients worldwide due to our unwavering commitment to quality. Our dedication to maintaining high quality standards has earned us the trust and confidence of our clients, fostering long-term associations. This emphasis on quality is deeply ingrained in our organisational culture and supported by continuous investments in R&D to ensure that our products consistently meet and exceed customer expectations
- ▶ **Experienced senior management team:** Our management team's long-term association with us has been instrumental in driving our Company towards achieving its strategic goals. Their extensive knowledge, experience, and industry expertise contribute to informed decision-making and effective execution of our business strategies. Their leadership provides stability and guidance, enabling us to navigate challenges and seize opportunities in the dynamic chemical industry
- ▶ **Well-equipped production facilities and laboratories:** We take pride in our state-of-the-art production facilities and well-equipped laboratories. They are equipped with advanced technology and modern infrastructure, enabling us to maintain efficient manufacturing processes and deliver high-quality products to our customers. Additionally, our continuous investment in R&D allows us to stay at the forefront of technological advancements, ensuring that our products are innovative, reliable, and aligned with market demands
- ▶ **Strict environmental compliance:** At Bodal, we prioritise environmental sustainability and strictly adhere to environmental regulations. We have implemented in-house effluent treatment plants (ETPs) and multiple effect evaporation plants (MEEP) to effectively manage and treat our waste streams. By ensuring strict compliance with standards, we strive to minimise our environmental footprint and contribute to a cleaner and greener future

Way Forward

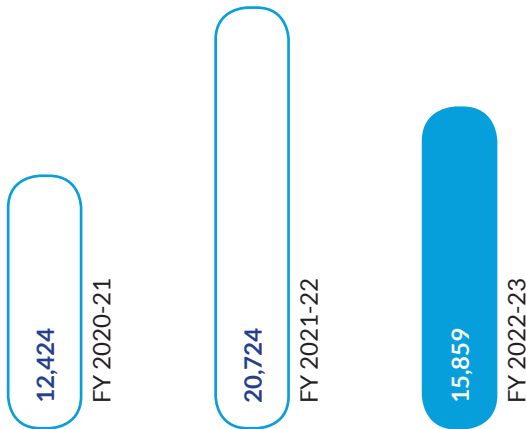
- ▶ **New client penetration:** Expanding our customer base by targeting and acquiring new clients to drive growth and diversifying our revenue streams
- ▶ **Rigorous integration:** Ensuring seamless integration of acquired businesses and optimising synergies to maximise operational efficiency and profitability
- ▶ **Higher focus on B2C approach:** Shifting our business strategy to emphasise on direct engagement with end consumers to capture market opportunities and enhance customer satisfaction
- ▶ **Strengthening of market leadership:** Striving to solidify our position as a market leader through strategic initiatives, innovative products, and exceptional customer service
- ▶ **Capacity ramp-up:** Increasing our production capacity to meet growing market demands and capitalise on emerging opportunities
- ▶ **Ongoing internal efficiencies:** Continuously improving internal processes, optimising resource allocation, and implementing cost-effective measures to enhance operational efficiencies and productivity
- ▶ **New greenfield expansion:** Pursuing new expansion projects from scratch, including setting up new manufacturing facilities or expanding existing ones, to support our growth trajectory
- ▶ **Increasing international presence:** Expanding our footprint in international markets by exploring new geographies, establishing strategic partnerships, and leveraging our expertise to capture global opportunities

Financial Performance

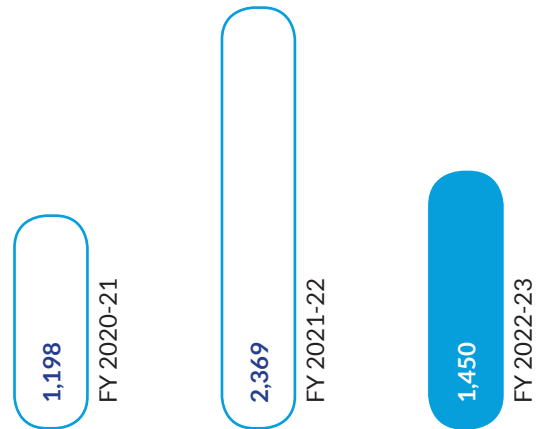
Our Company has experienced growth in revenue, despite some fluctuations in certain profitability metrics. We have taken measures to maintain a balanced capital structure, ensuring a sustainable financial position and mitigating financial risks.

Growth over the Years

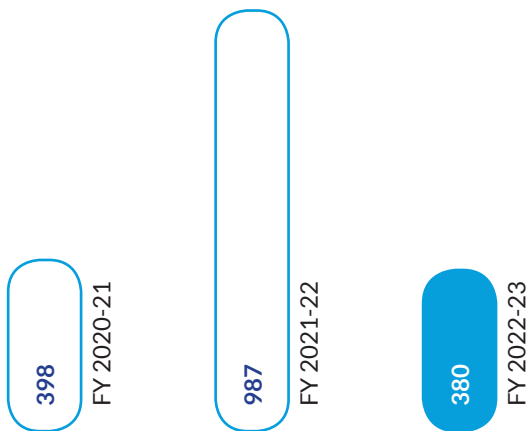
Revenue (₹ in million)



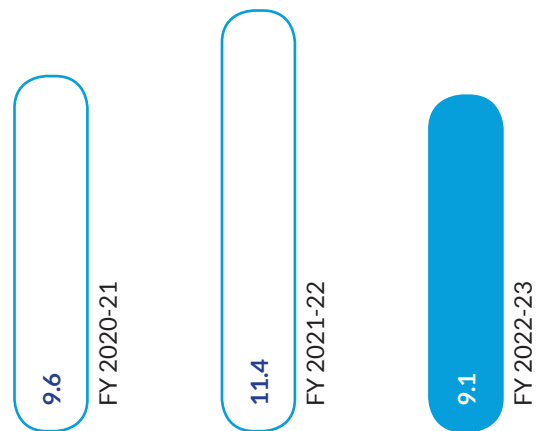
EBITDA* (₹ in million)



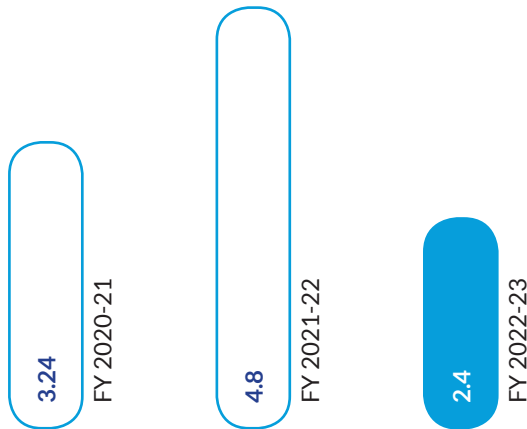
PAT* (₹ in million)



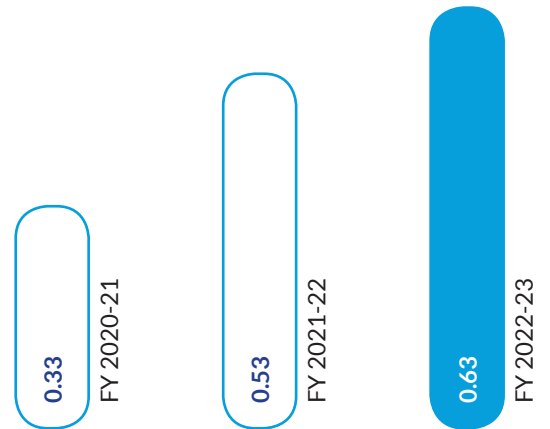
EBITDA Margin (%)



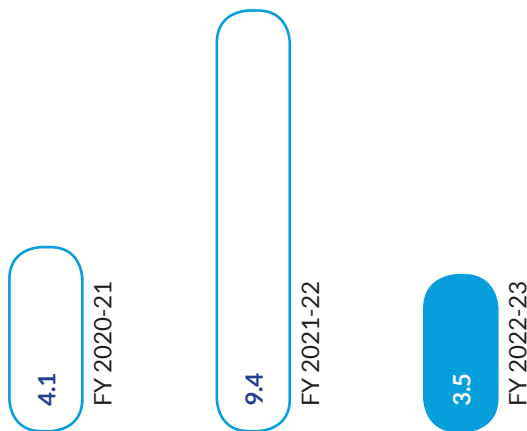
PAT Margin (%)



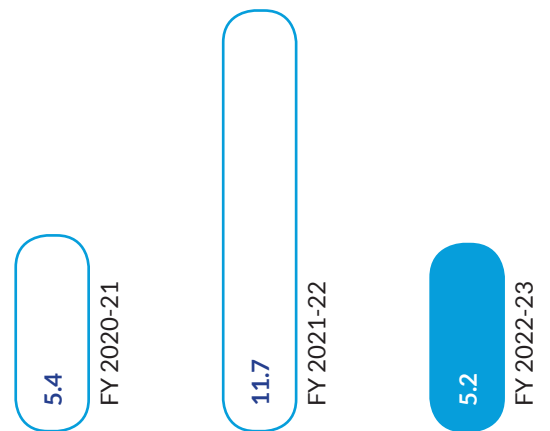
Net-Debt Equity Ratio (x)



ROE* (%)



ROCE* (%)



(All numbers are on a consolidated basis)

*(EBITDA: Earnings before Interest, Taxes, Depreciation and Amortisation; PAT: Profit After Taxes; ROE: Return on Equity; ROCE : Return on Capital Employed)

Environmental, Social and Governance (ESG) Initiatives

Our Environmental Footprint

The chemical industry converts raw materials into about 80,000 different products needed for everyday life. Many of these are not recycled or discharged properly. The industry is thus the sole contributor of over 30% of global greenhouse gas (GHG) emissions. Environmental sustainability is no longer about causing as little harm as possible. It is more about doing a greater good by integrating greener steps. Realising this need of the hour, we integrate sustainable steps across the manufacturing processes. Our Company also maintains transparency around disseminating necessary information about the business operations and compliance with regulations.

We abide by the philosophy of 'reduce, recover, and reuse' of natural resources. We have installed appropriate pollution control systems in our facilities including implementation of ETPs, MEEP, brine treatment plant and effluent spray dryer plant (ESDP). Our Company has a 5-MW lignite-based and 1.73-MW steam (waste recovery heat)-based captive power plant at Unit-VII.

At Bodal, we have set up the following as a part of our operations, to remain environmentally compliant to sustainable measures:

- ▶ Zero discharge site (solid+liquid+air)
- ▶ Effluent treatment plant
- ▶ Multiple effect evaporator (MEEP)
- ▶ Effluent spray dryer plant (ESDP)
- ▶ Solid waste incinerator plant



Waste Water Treatment

Our Company's manufacturing operations use a lot of water, which necessitates water management. We have therefore successfully implemented ETPs, MEEP, BTF, and ESDF as part of our pollution control measures. These systems prevent any liquid from being discharged into the environment and produce clean and reusable water.



Effluent Treatment Plant (ETP)

The ETP is designed to treat low load waste water, ensuring it meets the norms set by the Gujarat Pollution Control Board (GPCB) and the Central Pollution Control Board (CPCB). With a capacity of 5,00,000 litres per day, the ETP employs various processes to effectively treat the waste water. It starts with chemical oxidation to break down pollutants, followed by flocculation to remove suspended particles. Clarification is then carried out to separate the clarified water from the remaining impurities. The bio-degradation process facilitated by the advanced integral system (AIS) further enhances the treatment efficiency. Finally, the treated water undergoes tertiary poly filtration. To ensure continuous monitoring and control, the ETP is equipped with an online monitoring system, which allows real-time tracking of various parameters.

Installed World's First Brine Treatment Plant at Unit-VII

BTP is used to separate the salt in the wastewater from the dissolved sodium (Na) ions. It is based on the all-membrane brine concentration process (AMBC). It treats the effluent from the dyes and is a step ahead for us to comply with zero liquid discharge (ZLD) at the end of a treatment cycle.

Multiple Effect Evaporator Plant (MEEP)

Our Company's high-load waste water treatment facility effectively treats and manages wastewater with a high pollutant load. With a daily capacity of 5,00,000 litres, this state-of-the-art facility represents a significant investment of ₹ 350 million. One key advantage of this treatment system is its ability to recover salts, which can be used for captive purposes within our Company's operations or sold to external parties, contributing to resource conservation, and generating additional revenue.

The facility requires low steam and power consumption, ensuring operational efficiency and cost savings. Additionally, the condensed water generated during the treatment process can be reused, minimising water wastage and promoting sustainable water management practices. Moreover, the high-load waste water treatment facility incorporates an integrated zero discharge system, effectively treating all effluent generated during the process and eliminating any discharge of pollutants into the environment. Achieving zero discharge reflects our commitment to environmental stewardship and sustainable manufacturing practices.

Effluent Spray Dryer Plant (ESDP)

Our ESDP is a cutting-edge facility designed to treat high-load waste water beyond the requirements of the MEPP guidelines. This advanced plant offers several benefits, including minimisation of treatment costs and efficient management of wastewater.

The ESDP consists of three spray dryers, each with a capacity of 1,00,000 litres per day, and three incinerators with a capacity of 1,25,000 litres per day. These state-of-the-art technologies enable the effective treatment and disposal of high-load waste water in a controlled and environmentally responsible manner. By utilising spray drying and incineration processes, the ESDP efficiently evaporates and removes moisture from the wastewater, resulting in reduced volumes of sludge and minimising the overall treatment costs. This innovative approach ensures that our Company can effectively manage high-load waste water, while maintaining cost-effectiveness and adhering to stringent environmental regulations.





Being Socially Responsible

The fundamental goal of our Company's corporate social responsibility (CSR) programmes is to nurture social development by giving back to the community it thrives with and within. We have undertaken numerous activities in the areas of healthcare, education, infrastructure development, sports promotion, and other social concerns. We encourage and employ local talent. Our Company works with respected NGOs like YUVA and other trusts to integrate their expertise in maximising our Company's social impact.

Key Focus Areas

- ▶ Eradicating hunger, poverty, and malnutrition
- ▶ Promoting healthcare and sanitation including contribution to the *Swachh Bharat*
- ▶ Promoting education and enhancing rural infrastructure
- ▶ Offering funds for the construction of drinking water pipelines
- ▶ Conducting regular health check-up camps
- ▶ Contributing to Sports Council of the Deaf Basketball Club
- ▶ Promoting individual talent to represent the country in sporting events
- ▶ Supporting various trusts and NGOs like YUVA Unstoppable

Our Company conducts CSR activities in accordance with the safety, health, and environment (SHE) model which has three phases:

- ▶ First Phase: Identifying and analysing the concern that needs immediate attention
- ▶ Second Phase: Engaging a staff specialist to investigate the problem and devise solutions
- ▶ Third Phase: Implementing the solutions

A significant portion of our Company's CSR initiatives is managed by an internal department. Nonetheless, we also engage in partnerships with reputable organisations to strategically plan, fund, execute, and evaluate these programmes.

Led by Strong Governance Capabilities

A strong leadership team drives an even stronger pathway to growth through their guidance and skills. At Bodal, our governance framework is built around a code of ethics and transparency, to nurture effective communication and a healthy work environment. This leads us to work towards collective progress led by a strong strategic groundwork.

Mr. Suresh J. Patel

Chairman & MD

With 34+ years of experience, in chemicals manufacturing and trading, Mr. Suresh is a visionary and founder of our Company. He is not only involved in day-to-day operations but also in the marketing of dye intermediates.

Mr. Bhavin S. Patel

Executive Director

With 19 years of experience, in the global market and business presence, Mr. Bhavin played an instrumental role in the dyestuffs business. He is the head of the dyestuff division including production, and marketing, among others.

Mr. Ankit S. Patel

Executive Director

With 15 years of experience, Mr. Ankit is an economics graduate from the University of Nevada and an MBA from Dervi University, USA. He heads the basic chemical division and leads the sulphuric acid and chlor alkali plant expansion.

Mr. Mayur Padhya

Chief Financial Officer

With 27 years of experience, Mr. Mayur is a qualified Chartered Accountant and Cost Management Accountant. He handles finance, corporate affairs, and investor relationship.





Mr. Rajarshi Gosh

Director - HSE

With an experience of 24 years, Mr. Rajarshi has immense experience in cross-functional management and senior leadership roles. He is also well-versed in Environment and Human Health, Safety, and Security (EHSS) management.

Mr. Rohit B. Maloo

Independent Director

With an experience of over 15 years, Mr. Rohit B. Maloo has a strong academic background with multiple degrees, including M.Com, CA, MBA, and CFA Level II. He is an experienced professional in finance, accounting, and taxation. He has been practicing in the field of audit and taxation since a decade.

Mr. Nalin Kumar

Independent Director

Mr. Nalin has 25+ years of experience. He has done BTech from IIT-Kharagpur and MBA from IIM-Calcutta. He was previously associated with leading financial services firms like HSBC, and JP Morgan, among others.

Mr. Mayank Mehta

Independent Director

With a background in banking and finance, Mr. Mayank comes with over four decades of experience. He was previously the CFO of Union Bank of India and Executive Director at Bank of Baroda.

Mrs. Neha Huddar

Independent Director

Mrs. Neha is a qualified Chartered Accountant and finance professional with over 34 years of experience in funds management, audit, accounting, and taxation, among others. etc. She was previously associated with Thirumalai Chemicals as CFO and Reliance Industries Ltd. as the Finance Head of HR Department.

Awards and Recognition



FY 2013-14 and FY 2011-12

- ▶ CHEMEXCIL - Trishul Award




FY 2005-06

- ▶ CHEMEXCIL Gold award for outstanding performance in Exports, by Merchant Exporters Panel of CHEMEXCIL, Government of India



FY 2009-10

- ▶ Direct Export of Dye Intermediates and Dyestuffs award, by the Gujarat Dyestuffs Manufacturers' Association



FY 2016-2017 and FY 2013-2014

- ▶ Highest Self Manufacturing Turnover for Domestic and Export of Dyes and Dye Intermediates award by the Gujarat Dyestuffs Manufacturers' Association



FY 2015-2016

- ▶ CHEMEXCIL - Gold Award



FY 2016-2017

- ▶ First in large-scale unit category for outstanding performance on Domestic CHEMEXCIL - Award of Excellence



FY 2019-2022

- ▶ GDMA award for Highest Self-Manufacturing Turnover



FY 2018-2019

- ▶ ET Enterprise Icons 2018 Gujarat Best Brand Award 2018
- ▶ 25 Best Companies to Work for (Industry) 2019 by CEO Insights



FY 2017-2018

- ▶ Second in the large-scale unit category for Excellent Performance in Export of Dyestuffs, by the Dyestuffs Manufacturers' Association of India
- ▶ Listed amongst the Top 500 Indian Companies by the Dun & Bradstreet in 2018 for the second consecutive year

Certificates

ISO 9001:2015 and ISO 14001:2015 certifications for the production of dye intermediates and dyestuffs

Bluesign certification – Recognised as Bluesign System partner – Bluesign-approved product supplier

GOTS (Global Organic Textile Standard) certification

ZDHC certification ISO 45001: 2018

BEHIVE certification

ECOTAX certification



Corporate Information

BOARD OF DIRECTORS

Mr. Suresh J. Patel

Chairman and Managing Director

Mr. Bhavin S. Patel

Executive Director

Mr. Ankit S. Patel

Executive Director

Mr. Rajarshi Gosh

Director - HSE

Mr. Sunil K. Mehta

*Independent Director
(upto 13-12-2022)*

Mr. Nalin Kumar

Independent Director

Mrs. Neha Huddar

Independent Director

Mr. Mayank Mehta

Independent Director

Mr. Rohit Maloo

*Independent Director
[w.e.f. 12-12-2022]*

CHIEF FINANCIAL OFFICER

Mr. Mayur B. Padhya

COMPANY SECRETARY

Mr. Ashutosh B. Bhatt

REGISTERED OFFICE

Plot No: 123-124, Phase-I,
G.I.D.C. Estate, Vatva,
Ahmedabad – 382 445,
Gujarat, India.

CORPORATE OFFICE

'BODAL CORPORATE HOUSE',
Beside Maple Green Residency,
Nr. Anand Niketan School,
Nr. Shilaj Circle, Off. SP Ring Road, Thaltej,
Ahmedabad – 380 059,
Gujarat, India

STATUTORY AUDITORS

Naresh J. Patel & Co. 804,
Mauryansh Elanza Shyamal Cross
Roads, Satellite,
Ahmedabad – 380 015,
Gujarat, India.

COMMITTEES OF BOARD

AUDIT COMMITTEE

Mr. Rohit Maloo

Chairman

Mr. Nalin Kumar

Member

Mrs. Neha Huddar

Member

Mr. Bhavin S. Patel

Member

STAKEHOLDERS' RELATIONSHIP COMMITTEE

Mr. Rohit Maloo

Chairman

Mr. Nalin Kumar

Member

Mr. Bhavin S. Patel

Member

NOMINATION AND REMUNERATION COMMITTEE

Mr. Rohit Maloo

Chairman

Mrs. Neha Huddar

Member

Mr. Nalin Kumar

Member

CORPORATE SOCIAL

RESPONSIBILITY COMMITTEE

Mr. Suresh J. Patel

Chairman

Mr. Ankit S. Patel

Member

Mr. Rohit Maloo

Member

SHARE TRANSFER COMMITTEE

Mr. Suresh J. Patel

Chairman

Mr. Bhavin S. Patel

Member

Mr. Ankit S. Patel

Member

RISK MANAGEMENT COMMITTEE

Mr. Suresh J. Patel

Chairman

Mr. Ankit S. Patel

Member

Mr. Rajarshi Gosh

Member

Mr. Rohit Maloo

Member

Mr. Bansi M. Patel

Member

Mr. Mayur B. Padhya

Member

BANKERS

Union Bank of India
HDFC Bank
Indian Bank
EXIM Bank
Axis Bank

BOARD'S REPORT

To THE MEMBERS OF BODAL CHEMICALS LIMITED,

The Directors hereby present their "37th ANNUAL REPORT" on the performance of the Company together with the audited financial statements for the financial year ('FY') ended 31st March 2023

FINANCIAL RESULTS:

Financial Results of the Company for the year under review along with figures of the previous year are as follows:

(₹ In million)

Particulars	Consolidated			Standalone		
	FY 2022-23	FY 2021-22	Y-o-Y	FY 2022-23	FY 2021-22	Y-o-Y
Revenue from Operation	15,742.8	20,552.5		15,551.2	20,108.3	
Other Income	116.1	171.3		79.8	78.6	
Total Revenue	15,858.9	20,723.8	(23.5)%	15,631.0	20,186.9	(22.6)%
Raw Material Consumed	9,038.4	11,515.1		8,995.5	11,515.5	
Employee Expenses	948.1	1,104.6		918.8	1,075.1	
Other Expenses	4,422.9	5,734.9		4,425.5	5,640.0	
EBITDA	1,449.5	2,369.3	(38.8)%	1,291.2	2,320.2	(44.4)%
EBITDA (%)	9.1%	11.4%		8.3%	11.5%	
Depreciation	530.9	466.2		521.6	455.7	
EBIT	918.6	1903.1		769.6	1864.5	
EBIT (%)	5.8%	9.2%		4.9%	9.2%	
Finance Cost	410.3	294.8		344.1	210.0	
Exceptional Items	-	187.9		-	-	
Profit Before Tax	508.3	1420.5		425.5	1654.5	
Tax	128.0	433.8		114.1	411.9	
Profit After Tax	380.3	986.6	(61.5)%	311.4	1242.6	(74.9)%
Profit After Tax (%)	2.4%	4.8%		2.0%	6.2%	
EPS (in ₹)	3.0	8.3		2.5	9.9	

Note: previous year's figures have been recast wherever necessary.

The Financial year under review 2022-23

PERFORMANCE DISCUSSION

FY23 ₹ 15,859 million Revenue → ₹ 1,450 million EBITDA → ₹ 380 million PAT

(On Consolidated basis)

Factors that leading to performance of the Company in FY 2022-23:

- Overall business performance for FY 2022-23 has been weak with total revenue of ₹ 15,859 million a de-growth of 23.5% on a YoY basis. Consumption of end user industries has been sluggish due to overall slowdown in the global market. Uncertainty of European market has further decelerated demand scenario of chemical industry.
- Global inflation led to lower demand and which has resulted in sub-optimal capacity utilisation, inventory destocking and slow exports for textile, leather and paper. Leading to subdued performance of Dyestuff over the last few quarters. Revenue contribution from dyestuff stood at ₹ 5,412 million in FY 2022-23. Dye Intermediates revenue stood at ₹ 3,936 million for FY 2022-23, a de-growth of 47%. Average prices of our key products, i.e. H Acid and

BOARD'S REPORT (CONTD.)

Vinyl Sulphone in FY 2022-23 to ₹ 422 per kg and ₹ 227 per kg, respectively.

- The Chlor Alkali business continues to perform reasonably well with annual revenue of ₹ 3,270 million driven by a healthy volume uptick. During the year, realisation of caustic soda has been normalised. Company's chlor Alkali business will contribute meaningful business in coming period on back of technology upgradation.
- During the year, Most of the subsidiaries have performed satisfactory. Bodal China and Sener Boya has earned good profit whereas other subsidiaries have incurred nominal loss.

Bodal Chemicals Limited (BCL)

Bodal Chemicals Limited is a Integrated and Innovative company, offering end-to-end solution to our customers globally. Company is among world's largest manufacturer and exporter of Dyes Intermediate and Dyestuff with vertically and horizontally integrated who provides product solutions and service solution on fastest possible route to their customers.

Bodal Chemicals Limited having its presence not only in India but across the Globe and serving to 30+ countries with its Innovative products and services. It is coupled with company's technical know-how & expertise in manufacturing of Dyes Intermediate & other Specialty Chemicals, Company's growth is propelled with the support of team members and management professionals who works diligently to take the organisation to newer heights year-on-year.

Company's Manufacturing Facilities:

BCL has its manufacturing units across India, where Company manufactures different products. At present Company has total 11 (Eleven) Manufacturing units in operation:

- Ahmedabad-04,
- Vadodara-04,
- Kambhat-01,
- SPS Unit (Kosi)-01

- Punjab-01.

All plants are Environment Complaint.

Company's Manufacturing units have developed different specialty chemicals and products for Textile, Paper, Leather, Alumina, Pharma, Detergent, Water purification and many other.

Updation on Sykha Greenfield Project:

Company's Saykha Green field Project is expected to start trial run of Benzene Derivatives in Q2FY24. Once Company will find decent visibility of demand for company's product portfolio and after new site stabilised, Company will restart the Sulphuric Acid project.

BCL has its inhouse R&D Lab:

- 1- Ahmedabad-Gujarat
- 2- Vadodara- Gujarat

Company's Operation are Covered:

- Basic Chemicals
- Dyestuff
- Dye Intermediates
- Chlor Alkali
- TCCA
- Others- Benzene Derivative (Upcoming value chain products)

Company's 11 Depots: (Exclusive Distribution Warehouse)

- 7- India
- 1- China
- 1- Turkey
- 1- Bangladesh
- 1-Indonesia

BCL is listed. details as follows:-

ISIN: INE338D01028

- BSE Ltd. (Bombay Stock Exchange) Code: 524370
- National Stock Exchange of India Ltd. (NSE) Code: BODALCHEM

BOARD'S REPORT (CONTD.)

BODAL CHEMICALS LIMITED

Subsidiary in India

Bodal Chemicals Trading Pvt Ltd- WOS

Associate Company

Plutoeco Enviro Association - 25% Stake

Subsidiaries Outside India

Bodal Chemicals Trading (Shijiazhuang) Co., Ltd. - 100% Stake
SENER BOYA KIMYA TEKSTIL SANAYI VE TICARETANONIM SIRKETI- 100% Stake

Bodal Bangla Ltd - 100% Stake

PT Bodal Chemicals INDONESIA - 100% Stake

Step-down subsidiary:

SENPA DIS TICARET ANONIM SIRKETI

FINANCIAL PERFORMANCE OF SUBSIDIARIES:

(₹ in million)

Particulars	BCTPL		Sener Boya		Bodal-China		Bodal-Indonesia	Bodal Bangla	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22	FY 2022-23	FY 2022-23	FY 2021-22
Sales	0.01	66.53	622.76	850.92	292.70	356.36	19.93	0.00	0.00
PBT	(0.63)	(0.58)	78.32	(257.21)	13.03	28.04	(4.98)	(2.36)	(2.07)
PAT	(0.47)	(0.44)	66.38	(269.40)	12.93	26.75	(4.98)	(2.36)	(2.07)

BODAL CHEMICALS TRADING PVT LTD

Bodal Chemicals Trading Pvt Ltd, a Wholly Owned Subsidiary Company was incorporated in India on 07th December 2018. It was incorporated with object of trading in chemical products. The Company has Commenced commercial operations. It is not a material subsidiary as per the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015

Further, Financial Results of the Company for FY 2022-23 also available on website of the Company at www.bodal.com

BODAL CHEMICALS TRADING SHIJIAZHUANG LTD (CHINA)

Bodal Chemicals trading Shijiazhuang Ltd, a Foreign Wholly Owned Subsidiary of the Company incorporated in China in FY 2018-19, for trading activities in Chemical Products.

Apart from the trading activity within China, this company will become an important arm for Bodal Chemicals Ltd to distribute its final product i.e. dyestuffs in domestic market of China. This will also help sourcing of some raw materials from China to India. It is not material subsidiary as per the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015

Further, Financial Results of the Company for FY 2022-23 are available on website of the Company at www.bodal.com

SENER BOYA KIMYA TEKSTIL SANAYI VE TICARETANONIM SIRKETI

Apart from the trading activity within Turkey, this company will become an important arm for bodal chemicals Ltd to distribute its final product i.e. dyestuffs in domestic market of Turkey and reach out to other Local Areas. The Company has started commercial operations. It is not material subsidiary as per the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

Looking at the Business Growth perspective, Your Company has acquired remaining 20% Stake of SENER BOYA- from existing Shareholders of the Company and make SENER- Turkey as Wholly Owned Subsidiary Company of Bodal Chemicals Ltd w.e.f. 28th March 2022 by owning 100% Equity Stake.

Relevant Disclosures Under Regulation 30 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, also intimated to Stock Exchanges (BSE & NSE) along with required information.

BOARD'S REPORT (CONTD.)

Further, Financial Results of the Company for FY 2022-23 are also available on website of the Company at www.bodal.com

BODAL BANGLA LTD

Bodal Bangla Ltd, a Foreign Wholly Owned Subsidiary of the Company incorporated on 22nd September 2019 in Bangladesh, for trading activities in Chemicals Products. The Company has started Commercial Operations. Further it is not Material Subsidiary as per the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015

Further, Financial Results of the Company are available on website of the Company at www.bodal.com

PLUTOECO ENVIRO ASSOCIATION

Plutoeco Enviro Association, an Associate Company of the Company incorporated on 27th October 2020 as Section 8 Company for working as Non-Profit Organisation. Further, It is not Material Subsidiary as per the SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015

Further, Financial Results of the Company are available on website of the Company at www.bodal.com

SENPA DIS TICARET ANONIM SIRKETI- Step Down Subsidiary company of the Company

SENPA DIS TICARET ANONIM SIRKETI is a Wholly Owned Subsidiary of SENER BOYA KIMYA TEKSTIL SANAYI VE TICARETANONIM SIRKETI which is subsidiary company of Bodal Chemicals Ltd.

PT BODAL CHEMICALS INDONESIA

During the year under review, your Company has incorporated a Foreign Wholly Owned Subsidiary Company outside India namely PT Bodal chemicals Indonesia.

Pursuant to the provisions of Section 129, 134 and 136 of the Companies Act, 2013 read with rules framed there under and Regulation 33 of the SEBI Listing Regulations, the Company has prepared consolidated financial statements of the Company and a separate statement

containing the salient features of financial statement of subsidiaries, joint ventures and associates in Form AOC-1 which forms part of this Annual Report. Further Company shall place separate audited accounts of the subsidiary companies on the website of the Company at www.bodal.com

Pursuant to Section 134 of the Act read with Rule 8(1) of the Companies (Accounts) Rules, 2014 the details of developments of subsidiaries of the Company are covered in the Management's Discussion and Analysis Report which forms part of this Report.

CAPITAL STRUCTURE & LIQUIDITY

Authorised Share Capital

During the FY 2022-23, Authorised Share Capital of the Company stood at ₹ 71,15,00,000/- (Seventy One Crores Fifteen Lacs Only) comprising Equity Share Capital of ₹ 43,65,00,000 (Forty Three Crores Sixty Five Lacs Only) divided into 21,82,50,000 (Twenty One Crores Eighty Two Lacs Fifty Thousand) Equity Shares of ₹ 2/- (Rupees Two) each and Preference Share Capital of ₹ 27,50,00,000 (Twenty Seven Crores Fifty Lacs) divided into 2,75,00,000 (Two Crores Seventy Five Lacs) Preference Shares of ₹ 10/- (Rupees Ten) each.

The Authorised Capital is increased from ₹ 69,50,00,000/- to ₹ 71,15,00,000/-, on Amalgamation of S P S processors Pvt Ltd with Bodal Chemicals Ltd.

Issued and paid-up Share Capital

The Issued, Subscribed & Paid-up Equity Share Capital of the Company as at 31st March 2023 was ₹ 251.25 million divided into 12,56,23,465 Equity Shares, having face value of ₹ 2 each.

During the year Under Review, the Company has allotted 1,66,100 No of Equity share in pursuant of Bodal ESOP Scheme 2017 to eligible employee of the Company.

Further, pursuant to Scheme of amalgamation of S P S Processors Pvt Ltd with Bodal Chemicals Limited, Company has allotted 29,70,700 No of Equity Shares to the shareholders of SPS Processors Pvt ltd (Excluding Bodal Chemicals Limited) after receiving of an order from Hon'ble National Company Law Tribunal-Ahmedabad Bench.

BOARD'S REPORT (CONTD.)

particulars	No of Shares
Paid Up Capital at the Beginning of the Year (1st April 2022)	122481665
Addition of Shares (Pursuant to ESOP Allotment)	166100
Addition of Shares (allotment pursuant to Scheme of Amalgamation)	2970700
Paid Up Capital at the End of the Year (31st March 2023)	125623465

Employees Stock Option (ESOP/ESOS)

- Allotment under ESOP:

During the year Under Review, NRC Committee of the Company at their meeting held on 16th September 2022 made allotment of 1,71,100 (Grant-04) equity shares of ₹ 2/- each at a premium of ₹ 88.20/- per share, pursuant to exercise of options under the ESOP-2017 Scheme.

- Grant of Stock Options

During the year under reviews, Nomination and Remuneration Committee of Board of Directors

of the Company at its meeting held on 27th May 2022 had considered, approved and made grant of 1,71,100 No of Stock Options (Grant-05) under Bodal Chemicals Limited- ESOP 2017.

Disclosure Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, intimated to Stock Exchanges (BSE & NSE).

Details and Summary of Employee Stock Options granted/vested/exercised during the FY 2022-23 are given in "Annexure 2" to this report.

General Reserve

During the year under review, your directors do not propose to transfer any amount to the General Reserve.

Term Loan and Working Capital

As on 31st March 2023, the Total Debt was ₹ 7,541.39 million, cash and Cash Equivalents were ₹ 47.71 million resulting in Net Debt of ₹ 7493.68 million (₹ 6,364.11 million as on 31st March 2022) Total Debt consisted of ₹ 3,923.06 million of working capital loans and ₹ 3,618.33 million of long-term loans.

RATINGS

The credit rating for the Company for last two years are as below: -

Type of Credit Rating	Ratings for FY 2022-23	Ratings for FY 2021-22
	India Ratings	India Ratings
Long Term Bank Facilities	IND A+/Negative	IND A+
Short Term Bank Facilities	IND A+/Negative /IND A1+	IND A1+

DIVIDEND

The Board at its meeting held on 30th May 2023 has recommended Dividend of ₹ 0.10 (i.e. 5%) per equity share on the equity share of ₹ 2.00/- each for the financial year 2022-23, amounting to ₹ 12.58 million. The dividend pay-out is subject to the approval of the shareholders at ensuing 37th Annual General meeting. The dividend will be paid to the members whose names appear in register of members as on Book Closure i.e. 23rd September 2023 to 28th September 2023

TRANSFER OF UNCLAIMED SHARES & DIVIDEND AMOUNT TO INVESTOR EDUCATION AND PROTECTION FUND

Section 124 of the Companies Act, 2013 mandates that companies shall transfer dividend that remain unclaimed for a period of seven years, from the unpaid dividend account to the Investor Education and Protection Fund (IEPF).

During the year under review, Your Company has transferred 85,364 No of equity shares to IEPF Account

BOARD'S REPORT (CONTD.)

for unclaimed Dividend for 7 years from the date of Declared of Dividend for FY 2015-16 (1st Interim Dividend).

Further, The Company has uploaded complete details of such Shares which were already transferred to DEMAT Account of IEPF Authority on its website:- www.bodal.com

Furthermore, Shareholders may claim back the shares which were already credited along with the unclaimed dividend amount from IEPF Authority after following the procedures prescribed under IEPF Rules. The procedures for claiming the same is available on www.mca.gov.in and www.iepf.gov.in.

Further, Details of IEPF Claim during the FY 2022-23 is stated in the Corporate Governance report of the Company, which is part of this Director's Report forming part of this Annual Return.

PUBLIC /FIXED DEPOSITS

During the year under review, the Company has not accepted any deposit. There were no deposits remaining unpaid/ unclaimed as at the end of the financial year 2022-23 and as such no amount of principal or interest was outstanding, as on the date of the balance sheet.

LISTING OF SECURITIES

Bodal Chemicals has 125623465 Equity Shares of ₹ 2 each fully paid, listed on the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) as on 31st March 2023. The Company confirms that it has paid annual listing fees for the financial year 2023-24 to both the Exchanges (BSE & NSE) where the Company's equity shares are listed.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Directors' Appointment, Retirement and Resignation

Bodal Chemicals has 8 (Eight) Directors including 4 (Four) Executives Director and 4 (Four) Independent Directors (Non Executive) including a women director at the end of financial year 31st March 2023.

KEY MANAGERIAL PERSONNEL

- Mr. Suresh J Patel, Chairman and Managing Director (DIN: 00007400)

- Mr. Bhavin S Patel, Executive Director (DIN: 00030464)
- Mr. Ankit S Patel, Executive Director (DIN: 02173231)
- Mr. Mayur B Padhya, Chief Financial Officer
- Mr. Ashutosh B Bhatt, Company Secretary

Are the key managerial Personnel of the Company as on the date of this Report.

DECLARATION BY INDEPENDENT DIRECTORS

The Company have received declarations from all Independent Directors that they meet the Criteria of Independence as laid down in Section 149 (6) of the Companies Act, 2013 and regulations 27 (2) of the SEBI (LODR) regulations, 2015 (Listing regulations). There were no pecuniary transactions entered into with the Independent Directors apart from sitting fees.

REMUNERATION OF DIRECTORS AND KMP

Pursuant to the provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(1), 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014, disclosures pertaining to remuneration of Managerial employees, a Statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules is given in the Corporate Governance report which forms part of this Report.

Company has received Confirmation from Chairman of NRC Committee of the Company that Appointment term and Remuneration decide by the NRC Committee based on NRC Policy of the Company.

REMUNERATION POLICY

The Company has in place a Remuneration policy for the Directors, KMP and Other employees pursuant to the provisions of the Act and the Listing Regulations which is explained in Corporate Governance Report and which forms a part of the Board's Report.

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS:

The Company has an ongoing Programme where Directors in the course of meetings of the Board of Directors give information about Chemical Business

BOARD'S REPORT (CONTD.)

developments, Expansion of the Company and various amendments in legal and regulatory areas which include mandatory disclosures and fair disclosures stated under SEBI (Listing Obligation and Disclosures Requirement) regulations, 2015 (herein referred to as "Listing Agreement"), Prohibition & Insider trading regulations, and SAST Regulations so as to enable them to effectively discharge their roles, rights and responsibilities in the Company.

Details of the Familiarization Programme for Independent Directors are available on the website of the Company at www.bodal.com

DIVERSITY OF THE BOARD

The Company recognises and embraces the benefit of having a diverse Board of Directors and views increasing diversity at the Board level as an essential element in maintaining competitive advantage in the Business in which it operates.

BOARD MEETINGS

During the year under review, 5(Five) Board Meetings of Board of Directors were held. Details of the Composition of Board and its Committees and meetings held and Attendance of Directors at such Meetings and other relevant details are provided in the Corporate Governance report, forming part of Director's Report.

MEETING OF INDEPENDENT DIRECTORS

The Independent Directors of the Company met separately on 16th March 2023. Meeting dated 16th March 2023 was held without the presence of Non-Independent Directors and the members of management. In accordance with the provisions of the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015, the following matters were, inter-alia discussed in the meeting:

- Review the performance of Non-Independent Directors and the Board as a whole.
- Review the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-executive Directors.
- Assess the quality, quantity and timelines of flow of information between the Company management

and the Board that is necessary for the Board Members to effectively and reasonably perform their duties.

BOARD'S ANNUAL EVALUATION

In terms of the requirements of the Companies Act, 2013, and the Listing Regulations, the Board carried out the annual performance evaluation of the Board as a whole, Board Committees and the Directors. The Evaluation framework adopted by the Board is set out in the Corporate Governance Report.

AUDITORS

STATUTORY AUDITORS

Members at its 36th Annual General Meeting held on 26th September 2022 appointed M/s. Naresh J. Patel & Co., Chartered Accountants (Firm Registration No.: 123227W) as Statutory Auditor of the Company to hold office from conclusion of 36th Annual General Meeting of the Company until the Conclusion of 41st Annual General Meeting of the Company.

The Statutory Auditors have confirmed that they satisfy the Independence criteria required under Companies Act, 2013 and Code of Ethics issued by The Institute of Chartered Accounts of India.

The report of the Statutory Auditors along with Notes to Schedules is enclosed with this Report. The Auditor's Comments on the Company's Accounts for the financial year ended on 31st March 2023 are self-explanatory in nature and do not require any explanation as per provisions of Section 134 of the Companies Act, 2013. The Auditor's Report does not contain any qualification, reservation or adverse remark.

INTERNAL AUDITORS

M/s. Rashmin R. Patel & Co., Chartered Accountants (FRN: 132265W), Ahmedabad are Internal Auditors of the Company. Internal Auditors are appointed by the Board of Directors of the Company on a yearly basis, based on the recommendation of the Audit Committee. The Internal Auditors report their findings on the internal audit of the Company, to the Audit Committee on a quarterly basis. The scope of internal audit is approved by the Audit Committee.

BOARD'S REPORT (CONTD.)

SECRETARIAL AUDITOR

Pursuant to Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. Tapan Shah, Practicing Company Secretary as a Secretarial Auditor to conduct Secretarial Audit of the Company for the financial year 2022-23 (Period from 1st April 2022 to 31st March 2023).

The Report of Secretarial Auditor for the financial year 2022-23 is set out as Annexure 4 and it forms a part of this Report.

Further, under regulation 24A of SEBI (LODR) Regulations, 2015, Company has received Secretarial Compliance Report for the FY 2022-23 from Tapan Shah, Practicing Company Secretary and same to be filed with the Stock Exchanges (BSE & NSE).

COST AUDITORS

Pursuant to Section 148 of the Companies Act, 2013, the Central Government has prescribed cost audit related to the Company's product Dye Intermediates and Dyes. Based on this requirement and the recommendation made by the Audit Committee, the Board of Directors has appointed M/s. Kiran J. Mehta & Co., Cost Accountants, Ahmedabad, as the Cost Auditor for the Financial Year 2023-24. The Company has received a written certificate from the Cost Auditor stating that their re-appointment, if made, would be within the prescribed limits under sections 141 of the Companies Act, 2013. The Cost Audit report for the FY 2021-22 has been filed within the prescribed time limits. The Cost Auditor's Report does not contain any qualification, reservation or adverse remark. Further, remuneration payable to them is required to be ratified by the Shareholders at the ensuing Annual General Meeting and accordingly, a resolution seeking ratification has been included in the Notice convening the Annual General Meeting.

During the year under review, the statutory auditors, secretarial auditors and cost auditors have not reported any instances of fraud committed in the Company by its officers or employees to the Audit Committee under section 143(12) of the Companies Act, 2013, details of which needs to be mentioned in this Report.

MANAGEMENT DISCUSSION & ANALYSIS

Pursuant to Regulation 34 of the Listing Regulations, the Management Discussion and Analysis Report for the financial year under review is presented in Separate Section, forming part of the Annual Report.

CORPORATE GOVERNANCE

Bodal Chemicals Ltd. is committed to ensuring the highest levels of ethical standards, professional integrity, corporate governance and regulatory compliance. The Company understands and respects its fiduciary duty towards all stakeholders and strives to meet their expectations. The core principles of independence, accountability, responsibility, transparency, fair and timely disclosures serve as the basis of the Company's approach to Corporate Governance.

Report on Corporate Governance is annexed and forms an integral part of this Annual Report. Certificate from Mr. Tapan Shah, Company Secretary in practice, regarding compliance of conditions of Report on Corporate Governance as stipulated in the Listing Regulations is also appended to the Report on Corporate Governance.

SECRETARIAL STANDARDS

Secretarial Standards for the Board and General Meetings (SS-1 & SS-2) are applicable to the Company. The Company has complied with the provisions of both these Secretarial Standards.

INDUSTRIAL RELATIONS & HUMAN RESOURCES

Industrial relations at all divisions of your Company have always been cordial and continue to be so. Your directors wish to place on record their appreciation for the co-operation received from employees at all levels.

HUMAN RESOURCES

HEALTH, SAFETY AND ENVIRONMENT

It has been our continuous endeavour in Bodal Chemicals Ltd to create safe, healthy & environment friendly work practices with leadership and management support for sustainable business growth. Risk based approach is being adopted and applied in the manufacturing process and

BOARD'S REPORT (CONTD.)

across the business for a safe and healthy outcome which in a way translates into revenue and acts as a catalyst in the overall growth of the organisation. Cross functional participative approach is being practiced for engaging different functions for deeper involvement to create a holistic EHS culture. EHS risks are being managed to an acceptable level involving all stakeholders. Shop floor Safety hands on briefing and training in the form of TBT (Tool Box Talks) and OJT (On Job training) to adopt safe work practices is being actively practiced. PPE's are being provisioned to all employees and workforce. All employees are encouraged to report near misses and all workplace incidents are collated and evaluated by doing a root cause analysis to prevent re occurrence. During staff interactions feedback on EHS is actively sought and suggestions are being collated and evaluated for adoption as the case may be. Following this approach, there is a dip in numbers which is a reflection of positive EHS change amongst all with increased risk awareness. Regular mock exercises are being practiced at all our plants as part of Emergency Planning, Preparedness and Response. The improvement areas are noted and further adopted going forward to enhance efficiency and effectiveness to deal with any incidents.

We believe in the philosophy, 'Good EHS practices' makes good business sense & Healthy & Safe workforce is a productive workforce. We have fully equipped OHC manned round the clock with well experienced Doctors and occupational nursing staff. In house Ambulance is also available, Pre medical check-up, annual medical check-up and special health awareness camps are conducted for employees. Medical Team has also initiated "Health Gallery" and company doctor conducts regular counselling sessions and health talks for employees

MATERIAL CHANGES AND COMMITMENTS

There were no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this Report.

ANNUAL RETURN

The Annual Return of the Company as on 31st March 2023 is available at Company's website at www.bodal.com and can be accessed https://www.bodal.com/files/report1692597023_64e2fb1f4e11b.pdf

ENVIRONMENT PROTECTION

The Company has undertaken various environment friendly measures in its different Units for promoting a better environment. The Company has in place adequate pollution control equipment and all the equipment's are in operation.

GREEN INITIATIVE

The Ministry of Corporate Affairs had taken the Green Initiative in Report on Corporate Governance by allowing paperless compliances by Companies through electronic mode. Your Company supports the Green Initiative and has accordingly decided to send necessary communications to its Shareholders to their respective registered E-mail addresses.

SAFETY & WELLBEING OF WOMEN AT THE WORKPLACE

Bodal Chemicals Ltd. has taken various initiatives to ensure a safe and healthy workplace for its women employees. The Company has zero tolerance of sexual harassment at the work place and is fully compliant with the prevailing laws on the prevention of sexual harassment of women at the workplace. As per the provisions of Sections 21 and 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Report on the details of the number of cases filed under sexual harassment and their disposal is as under:

SR. NO.	COMPLAINTS UNDER SEXUAL HARASSMENT (FROM 1st April 2022 TO 31st March 2023)	STATUS
1	Number of Complaints/Cases pending as at the beginning of FY 2022-23 i.e. 1st April 2022	NIL
2	Number of Complaints/ Cases filed during the year (from 1st April 2022 to 31st March 2023)	NIL
3	Number of Complaints/ Cases pending as at the end of FY 2022-23 i.e. 31st March 2023	NIL

VIGIL MECHANISM AND WHISTLEBLOWER POLICY

The provisions of Section 177(9) and (10) of the Companies Act, 2013 mandates every listed company has to establish

BOARD'S REPORT (CONTD.)

vigil mechanism for Directors and employees. Bodal Chemicals Ltd. has adopted a Whistle Blower Policy, as part of vigil mechanism to provide appropriate avenues to all the employees of the Company to raise their concerns relating to fraud, malpractice or any other activity or event which is against the interest of the Company or society as a whole. Details of complaints received and the action taken are reviewed by the Audit Committee. No concerns or irregularities have been reported by employees/directors till date.

The functioning of the Whistle Blower mechanism is reviewed by the Audit Committee from time to time. None of the Company's personnel have been denied access to the Audit Committee. The Whistle Blower policy is available on the Company's website and its web link https://www.bodal.com/files/titlepdf1689150717_64ae64fd03df3.pdf

ANNUAL ACCOUNTS OF SUBSIDIARY COMPANIES

The Accounts of the Subsidiary Companies for the financial year ended on 31st March 2023 will be made available to any shareholder of the Company on request and will also be available for inspection at the registered office of the Company during working hours till the date of the Annual General Meeting.

Statement containing salient features of financial statements of subsidiaries and Associates pursuant to section 129 of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014 is annexed to this Report in the prescribed Form AOC-1, as "Annexure 1"

The Audited Financial Statements of Company's subsidiaries for financial year 2023 are available on the Company's website at www.bodal.com and the same are also available for inspection at the Registered Office of the Company. Your Company will also make available these documents upon request by any Member of the Company interested in obtaining the same.

The Company has laid down policy on material subsidiaries and none of the subsidiary is material subsidiary as per the Policy. The policy is placed on the website of the Company and its weblink is https://www.bodal.com/files/titlepdf1631788627_61431e537beea.pdf

CONSERVATION OF ENERGY, RESEARCH & DEVELOPMENT (R&D), TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS & OUTGO

The details of energy conservation, technology

absorption and foreign exchange earnings and outgo as required under section 134(3) of the Companies Act, 2013, read with Rule 8 of Companies (Accounts of Companies) Rules, 2014 is annexed as **Annexure 6** to this Report.

RISK MANAGEMENT & INTERNAL CONTROL

The Company has a Risk Management framework to identify, evaluate business risks and opportunities. This framework seeks to create transparency, minimise adverse impact on the business objectives and enhance the Company's competitive advantage. The business risk framework defines the risk management approach across the enterprise at various levels including documentation and reporting. Further details are set out in the Management Discussion and Analysis Report forming part of the Directors' Report.

The Company deploys robust system of internal controls commensurate to the size of the Company and the complexities of its operations. These systems facilitate fair presentation of its financial results in a manner that is complete and reliable, ensure adherence to regulatory and statutory compliances, and safeguards investor interest by ensuring the highest level of governance and consistent communication with investors.

The Internal Auditors of the Company conducts financial, compliance and process improvement audits each year. The Audit Committee oversees the scope and evaluates the overall results of these audits, and members of that Committee regularly attend meetings of Board of Directors. The Audit Committee also reviews the adequacy and effectiveness of the internal control system, and invites functional Directors and senior management personnel to provide updates on operating effectiveness and controls, from time to time. A CEO and CFO Certificate, forming part of the Corporate Governance Report, confirm the existence and effectiveness of internal controls and reiterate their responsibilities to report deficiencies, if any, to the Audit Committee and rectify the same.

RISK MANAGEMENT COMMITTEE

Company had constituted Risk Management Committee and said Committee had formulated a Risk Management Policy for dealing with different kinds of risks which it faces in day-today operations of the Company. Risk Management Policy of the Company outlines different

BOARD'S REPORT (CONTD.)

kinds of risks and risk mitigating measures to be adopted by the Board. The Company has adequate internal control systems and procedures to combat risks. Role and Responsibilities of the Committee has defined as per SEBI (Listing Obligation and Disclosures Requirement) Regulations, 2015. You can Access from Website of the Company at www.bodal.com

The management of the Company is determining various aspects so as to be able to minimise the risk in all spheres of the Company's business from finance, human resources to business strategy, growth and stability.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

During the year, the Company did not provided any Corporate guarantee or Provide any Securities on behalf of Others.

Details of loans, guarantees and investments are covered under the provisions of Section 186 of the Companies Act, 2013, and details are given in notes to the financial statements.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company's CSR Policy primarily rests on three broad tenets viz., Healthcare, Education & Community welfare and the same is within the ambit of Schedule VII of the Act.

Your Company has a strong focus on making company's CSR efforts more systematic and strategic. Company have established procedures for planning and implementation of major CSR activities in the areas surrounding the Company's plants. Your Company is presently focused on the following key areas of CSR:

Bodal believes in inclusive development. Our business success interwoven with the welfare of the communities within which we operate. We believe in the lasting positive impact and ensure that society will harvest benefits of our initiatives for the longer time.

We believe in the nation development and growth of education is the key and it is everyone's right to get better education. So we focus more on promoting education by supporting deserving students. Also we drive Skill Development programme, where our employee spare time and visit nearby villages and coordinates with the school teachers and try to enhance their skill sets. This

Programmes were undertaken digitally and physically.

Village Development: Under this programme we associate with the village people, work with the Sarpanch and other senior members, study their issues and requirements towards the basic village infrastructure, and work directly with them to improve the infrastructure. It's also covers, proper clean drinking water, drainage system, road, etc. It's also extended to the behavioral change programme for the longer sustainability.

Encouraging Education and Empowering Children: we are associated with NGO "Unstoppable Yuva" and provide scholarship to deserving students and encourage them for their bright future.

Further, company continued several further initiatives under the CSR programme, directly as well as through different agencies

Further, Your Company continued several other initiatives under the CSR programme, directly as well as through agency namely UVA Unstoppable permitted under the Act.

Detail of CSR Policy and Annual Report on CSR for FY 2022-23 is annexed to this report as "**Annexure 7**" and forms part of this Report

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (BRSR)

The Business Responsibility Report for the year ended 31st March 2023 as per clause (f) of sub regulation (2) of regulation 34 of Listing Regulations is annexed and forms part of this Annual Report.

RELATED PARTY TRANSACTIONS

All the related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with the Promoters, Directors, Key Managerial Personnel, or other designated persons which may have potential conflict with the interest of the Company at large.

All related party transactions are placed before the Audit Committee and also for the Boards' approval. The Company has developed a Related Party Transaction

BOARD'S REPORT (CONTD.)

Policy for the purpose of identification and monitoring of such transactions. The Related Party Transaction policy is placed on the Company's website www.bodal.com and its web link- https://www.bodal.com/files/titlepdf1652445557_627e51758c1c1.pdf

Particulars of Contracts or arrangements with Related Parties referred to in section 188 (1) of the Companies Act, 2013, are disclosed in Form AOC-2 as **Annexure 8**.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY

During the year, Company had received SEBI Order, Under Section 15-I of the SEBI Act, 1992 read with Rules 5 of the SEBI (Procedure for holding Inquiry and imposing Penalties) Rules, 1995, in the matter of M/s. Bhageria Industries Limited, Bodal is a Connected Party and for that through SEBI order dated 31st March 2023, Penalty of ₹ 7 Lacs was levied, which was paid by the Company as on 10th May 2023. However, No Direct case/matter has been initiated against the Bodal.

No such material Order passed by the Regulators or Courts or Tribunals which impacts the Going Concern Status of the Company.

INSURANCE

The Company's assets are adequately insured.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134 of the Companies Act, 2013, the Directors, to the best of their knowledge and belief, confirm that:

- (a) in the preparation of the annual accounts for the financial year ended on 31st March 2023, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the Directors have selected such accounting policies and applied them consistently and made judgments

and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

- (c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the Directors have prepared the annual accounts for the financial year ended on 31st March 2023 on a going concern basis;
- (e) the Directors, have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) the Directors have devised proper systems to ensure compliance with provisions of all the applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENT

Your director place on record their sincere appreciation for the steadfast commitment and highly motivated performance by employees at all levels which was instrumental in sustained performance of the Company. Your directors also sincerely thank all the stakeholders, professionals, business partners, government & other statutory bodies, banks, financial institutions, analysts and shareholders for their continued assistance, cooperation and support.

**For and on behalf of the Board of Directors of
Bodal Chemicals Limited**

SURESH J. PATEL
Chairman &

Managing Director
(DIN: 00007400)

Date : 11th August 2023
Place: Ahmedabad

ANNEXURE 1 TO THE BOARD'S REPORT - AOC . 1

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures (Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

PART "A"- SUBSIDIARY & ASSOCIATE

Particulars	Wholly Owned Subsidiary Co.,	Foreign Wholly Owned Subsidiary Co.,	Foreign Wholly Owned Subsidiary Co.,	Foreign Wholly Owned Subsidiary Co.,	Foreign Wholly Owned Subsidiary Co.,	Associate Company
Name of the Subsidiary & Associate Co.,	Bodal Chemicals Trading Pvt Ltd	Bodal Chemicals trading Shijiazhuang Ltd (China)	SENER BOYA KIMYA TEKSTIL SANAYI VE TICARETANONIM SIRKETI	Bodal Bangla Ltd.	PT Bodal Chemicals Indonesia	Plutoeco Enviro Association
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31st March 2023	31st March 2023	31st March 2023	31st March 2023	31st March 2023	31st March 2023
Reporting currency for the subsidiary	Indian Rupees	RMB	Turkish lira	Taka	Indonesian rupiah	Indian Rupees
Reporting exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries Rupee equivalent of 1 unit of foreign currency as at 31st March 2023 (₹)	Not Applicable	1 RMB=11.964	1 LIRA=4.2851	1TAKA=0.76792	1 Idr=0.0054902	Not Applicable
Share Capital	0.10	20.57	561.51	5.10	13.3	0.10
Reserves & Surplus	3.87	28.39	(220.20)	(6.44)	(4.93)	42.15
Capital Advance						
Total Assets	5.36	193.22	485.90	0.13	31.24	43.75
Total Liabilities (excluding Share Capital and Reserves & Surplus and capital advance)	1.39	144.26	144.59	1.47	22.87	1.50
Investments						
Turnover	0.01	292.70	622.76	Nil	19.93	Nil
Profit before taxation	(0.63)	13.03	78.32	(2.36)	(4.98)	Nil
Provision for taxation	0.16	(0.10)	(11.94)	Nil	Nil	Nil
Profit after taxation	(0.47)	12.93	66.38	(2.36)	(4.98)	Nil
Proposed Dividend	Nil	Nil	Nil	Nil	Nil	Nil
% of shareholding	Nil	Nil	Nil	Nil	Nil	Nil

Note: - SPS Processors Pvt Ltd was amalgamated with Bodal Chemicals Limited.

- 100% shares of SENPA DIS TICARET ANONIM SIRKETI is held by SENER BOYA KIMYA TEKSTIL SANAYI VE TICARETANONIM SIRKETI and SENPA DIS TICARET ANONIM SIRKETI is step down subsidiary company of BODAL CHEMICALS LTD.

PART "B" - JOINT VENTURES: NONE

For and on behalf of Board of Directors of Bodal Chemicals Limited

Suresh J Patel
Chairman and Managing Director
DIN: 00007400

ANNEXURE 2 TO THE BOARD'S REPORT

Disclosure as required under Section 62(1)(b) of the Companies, Act, 2013 read with Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 and Regulation 14 of the Securities Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 are appended as below:

Sr. No.	Particulars	BODAL ESOP Scheme 2017	
1	Date of Shareholders' Approval	23rd September 2017	
2	Total No of Options approved under ESOS	10,00,000 (Ten Lacs)	
3	Vesting Requirements	options granted would vest subject to vesting period of 1 (one) year	
4	Date of Grant	27th May 2022	
5	Exercise price or pricing formula	₹ 10.00	
6	Variation in terms of option	-	
7	Method of Option Valuation	Black Scholes Method	
8	Outstanding as at beginning of the Period	183500	
	Granted during the Period	171100	
	FORFEITED during the Period	-	
	CANCELLED during the Period	-	
	Lapsed during the Period	12400	
	Exercised during the Period	171100	
	Allotted during the Period	171100	
	Number of shares arising as a result of exercise of options	171100	
	Money realised by exercise of options (₹), if scheme is implemented directly by the Company	1711000	
	Number of options vested during the Period	171100	
	Outstanding as at the end of the Period 31st March 2023	171100	
	Exercisable at the end of the Period	-	
9	Weighted average remaining contractual life (in years)	-	
10	Weighted average fair value of options granted	-	
11	Employee Wise details of Options granted during the financial year 2021-22 to:		
(a)	key managerial personnel.		
	Name	Designation	Options Granted During the year
	Mr. Mayur B Padhya	Chief Financial Officer	11000
	Mr. Ashutosh B Bhatt	Company Secretary	3000
(b)	Any Other employee who receives a grant in any one year of option amounting to 5% or more of Option granted during the year		
	Name	Designation	Options Granted During the year
	Mr. Mayur B Padhya	Chief Financial Officer	11000
			% of Option granted during the year
			6.43%

ANNEXURE 2 TO THE BOARD'S REPORT (CONTD.)

Sr. No.	Particulars	BODAL ESOP Scheme 2017	
(C)	Identified employees who were granted Option, during any one year, equal to or exceeding 1% of the Issued Capital (excluding outstanding warrants and conversations) of the Company at the time of Grant		
	Name	Designation	Options Granted During the year
			Options Allotted During the Year
	None		
Note:	Other details as required under Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 read with SEBI circular CIR/CFD/POLICY CELL/2/2015 dated 16th June 2015 forms part of the Notes to financial statements in this Annual Report.		

Note: Other details as required under Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 read with SEBI circular CIR/CFD/POLICY CELL/2/2015 dated 16th June 2015 forms part of the Notes to financial statements in this Annual Report.

ANNEXURE 3 TO THE BOARD'S REPORT

Details pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1	Name & Designation of Director & KMP	Ratio of the remuneration of each director to the median remuneration of the employees of the Company for FY 2022-23	% increase/(decrease) in remuneration in the FY 2022-23
Executive/Whole Time Directors			
i	Mr. Suresh J Patel	59.59	Nil
ii	Mr. Bhavin S Patel	39.72	Nil
iii	Mr. Ankit S. Patel	39.72	Nil
Independent Directors have been paid only sitting fees during FY 2022-23 and hence the Ratio to Median Remuneration has not been shown for Independent Directors.			
iv	Mr. Mayur B Padhya, Chief Financial Officer	N.A.	NIL
V	Mr. Ashutosh B Bhatt, Company Secretary and Compliance officer	N.A.	NIL
2	The percentage increase in the median remuneration of employees in the financial year		NIL
3	The number of permanent employees on the rolls of company		2076
4	Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration		There is no increment in remuneration paid to Employees and Managerial Personnel during the FY 2022-23
5	Affirmation that the remuneration is as per the remuneration policy of the Company		Yes

Particulars of Employees in terms of sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

i. Employed throughout the financial year with salary above ₹ 102 Lakh p.a.

Name of Employee	Mr. Suresh J. Patel	Mr. Bhavin S Patel	Mr. Ankit S Patel
Designation	Chairman and Managing Director	Executive Director	Executive Director
Remuneration	1,62,65,753	1,10,45,079	1,16,61,331
Commission	75,00,000	12,50,000	12,50,000
Nature of Employment	Permanent	Permanent	Permanent
Qualification	Bachelor in Science (B.Sc.)	Bachelor in Science (B.Sc.)	Bachelor in Economics, MBA (Finance)
Date of Commencement of Employment	1st May 2005	1st May 2005	24th May 2008
Age	67 Years	42 Years	40 Years
Previous Employment	Not Applicable	Not Applicable	Not Applicable
% of Equity Shares held in the Company	29.54% as on 31st March 2023	8.36% as on 31st March 2023	5.78% as on 31st March 2023

ii. Employed part of the Financial year with average salary above ₹ 8.50 Lacs per month: **NA**

iii. Employee employed throughout financial year or part thereof, was in receipt of remuneration of in aggregate is in excess of that drawn by the Managing Director or Whole Time Director or Manager and holds by himself or along with his spouse and dependent children, not less than Two percent (2%) of the Equity Shares of the Company. **NA**

ANNEXURE 3 TO THE BOARD'S REPORT (CONTD.)

iv. The name of Top 10(Ten) Employees in terms of remuneration:

Sr. No	Employee Full Name	Department	Designation	Join Date	Gender	Disabilities (Yes/No)	Employment	Annual Ctc	Qualification & Experience	Age	Last Employment	% Of Equity Share Held By Employee	Whether Employee Is Relative Of Any Director Or Manager
1	Prasad Hari Pujari	Sulphur Products Division	Head Sulphur	11Th September 2008	Male	No	Permanent	7218768	M.chem.engg.	60.3	Dharmashi Moraji Chemical Co. Limited	0.01%	N.a
2	Mayur Bachubhai Padhya	Finance	Chief Financial Officer	1St April 2013	Male	No	Permanent	6500004	Ca,Cma, B.com	52.3	Hi-Rel Electronics Pvt Ltd	0.16%	N.a
3	V K Sasidharan K Sasidharan	Sulphur Products Division	Vp Tec	1St July 2009	Male	No	Permanent	5981400	Be.metrology	73.3	Dharmashi Moraji Chemical Co. Limited	0.01%	N.a
4	Harjeet Singh Sandhu	Management	Vp.	1St June 2021	Male	No	Permanent	4879848	Bsc Electrical Engineer	60.2	Pac(Punjab Alkalies Chemicals Limited)	--	N.a
5	Uday Naranbhai Patel	Project	General Manager - Project (Div-Caustic Chlorine)	4Th February 2019	Male	No	Permanent	3840000	Be.chemical	45.6	Rspl Limited	0.004%	N.a
6	Waris Akhil M. Subhan Chaudhary	Project	Sr.general Manager (Project)	29Th December 2016	Male	No	Permanent	3684000	Dme,Me (Mech)	60.8	Paithan Mega Food Park Pvt Ltd	0.007%	N.a
7	Bipinbhai Chandubhai Patel	Production Operation	Head Production-Dyes Stuffuff Division	8Th March 2019	Male	No	Permanent	3628800	B.sc.	56.2	Fumochem Pvt.ltd	0.06%	N.a
8	Rakesh Ravjibhai Patel	Corporate	Director	1St November 2022	Male	No	Permanent	3600000	B.sc.	59.1	Na	0.04%	Brother - In - Law
9	Rajesh Nathilal Kulshrestha	Production	General Manager	2Nd September 2021	Male	No	Permanent	3300000	M.sc	62.1	Rohan Dyes & Intermediate Ltd	--	N.a
10	Manisha Bhupendrabhai Patel	Account	General Manager (Commercial)	1St August 2012	Female	No	Permanent	3230016	Ca, B.com	50.0	Consultant	0.01%	N.a

ANNEXURE 3 TO THE BOARD'S REPORT (CONTD.)

- v. Variations in the Market Capitalisation of the Company as at the Closing date of the Current Financial Year (FY 2022-23) and Previous Financial Year (FY 2021-22):

Date /Particulars	Issued Capital (No. of Equity Shares)	Closing Market Price ₹ per share (Sourced taken from www.nse.com)	Market Capitalisation (₹ In million)
31st March 2022	12,44,81,665	100.95	12364.52
31st March 2023	12,56,23,465	57.70	7248.47
Increase/Decrease	-----	(43.25)	(5116.05)

Note: Variation in the market Capitalisation of the Company decreased from ₹ 12364.52 million to ₹ 7248.47 million as comparison of Closing date of the Current Financial year (FY 2022-23) and Closing date of the Previous financial year (FY 2021-22).

Further During the year, Company has been allotted 171100 No of shares through ESOP allotment and also allotted 2970700 No of shares to the Existing shareholder of SPS Processors pursuant to Scheme of Amalgamation Hence, change in Issued capital of the Company from 124481665 to 125623465.

ANNEXURE 4 TO THE BOARD'S REPORT

SECRETARIAL AUDIT REPORT

For the financial year ended 31st March 2023

[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,
BODAL CHEMICALS LIMITED
CIN : L24110GJ1986PLC009003
Plot No. 123-124, Phase-1,
GIDC, Vatva,
Ahmedabad – 382 445

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Bodal Chemicals Limited** (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 based on the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit through electronically by way of scan copy or soft copy through mail or otherwise, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2023, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined through electronically by way of scan copy or soft copy through mail or otherwise, the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2023 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made there under as applicable;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment;
- (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, as amended from time to time;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015, as amended from time to time;
 - 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 (Share Based Employee Benefits and sweat equity) Regulations, 2021;

ANNEXURE 4 TO THE BOARD'S REPORT (CONTD.)

- e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 & 2018; and
- f) SEBI (Investor Protection and Education Fund) Regulation, 2009

(vi) Secretarial Standards issued by the Institute of Company Secretaries of India (SS – 1 and SS – 2).

I have also examined compliance with the applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, amended from time to time, pursuant to the Listing Agreement of the said Company with stock exchanges.

Further being a Chemical Industry, apart from Environment, Pollution and safety related compliances, Narcotics Law 1985 is applicable to the Company, for which examination of the relevant documents and records, on test check basis has been carried out.

During the period under review, the Company has generally complied with the all material aspects of applicable provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

During the Period under review, provisions of the following Acts, Rules, Regulations, Guidelines, etc. were not applicable to the Company:

- i. The Securities and Exchange Board of India (Delisting of Equity Shares)(Amendment) Regulations, 2016 and 2021;
- ii. Securities and Exchange Board of India (Issue and Listing of Non convertible Securities) Regulations, 2021;
- iii. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 & 2018; and
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of External Commercial Borrowings.

I further report that –

The Compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by statutory financial auditor and other designated professionals.

I further report that –

Based on the information provided by the Company, its officers and authorized representatives during the conduct of the audit and on the basis of Compliance Certificates issued by the Managing Director and Company Secretary of the Company and taken on record by the Board of Directors at their meetings, in my opinion, adequate systems and processes and control mechanism exist in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations, standards and guidelines and general laws like various labour laws, competition law, environmental laws, etc.

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, one Independent Director was appointed in place of one Independent Director whose second term was expired as a Director and necessary compliances were made for the same.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent generally 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.

During the year, all decision in the Board Meetings were carried unanimously.

I further report that during the audit period, there were few specific events/ actions in pursuance of the above referred laws, rules, regulations, standards, etc. having a major bearing on the Company's affairs, details of which are as stated below:

ANNEXURE 4 TO THE BOARD'S REPORT (CONTD.)

- i. Scheme of Amalgamation of S P S Processors Private Limited, Subsidiary Company with Bodal Chemicals Limited was approved by the National Company Law Tribunal (NCLT) Ahmedabad bench as on 2nd November, 2022. The said order was filed with MCA as on 9th November, 2022. The Appointed date of the Scheme of Amalgamation is 1st Day of April, 2021. As the approved Scheme, allotment of shares is done.
- ii. The members of the Company have appointed Mr. Rohit Bhoorchand Maloo as an Independent Directors of the Company, for first term for the period of five years and re-appointed Mr. Suresh Patel and Mr. Bhavin Patel as MD & Chairman and Executive Director, respectively for the period of three years, through Postal Ballot meeting held on 24th January 2023.
- iii. The Company allotted 171100 Equity Shares of face value of Rs.₹ 2/- of the Company fully paid up, allotted under BODAL ESOP SCHEME-2017 at a grant price of Rs.₹ 10/- per share, as on 16th September, 2022.
- iv. The company has altered its Main Object Clause by addition of Pharmaceutical business, as approved by members through Postal Ballot meeting held on 24th January 2023.
- v. The Company has appointed M/s Naresh J Patel & Co. as statutory auditors of the Company in place of retiring auditors in the AGM held on 26th September, 2022.

Signature:

Name of Company Secretary in practice: Tapan Shah

FCS No. : 4476

C P No. : 2839

UDIN : F004476E000760858

PR No.: 673/2020

Place: Ahmedabad

Date: 11th August 2023

Note: This Report is to be read with my letter of above date which is annexed as **Annexure A** and forms an integral part of this report.

ANNEXURE 4 TO THE BOARD'S REPORT (CONTD.)

ANNEXURE A

To,
The Members,
BODAL CHEMICALS LIMITED
CIN : L24110GJ1986PLC009003
Plot No. 123-124, Phase-1, O
GIDC, Vatva,
Ahmedabad – 382 445

My report of the above date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of secretarial records. The verification was done based on the records and documents provided, on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices followed by me provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. 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 provision of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to verification of procedures on test basis.
6. The Secretarial Audit report 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.

Place: Ahmedabad
Date: 11th August 2023

Signature:
Name of Company Secretary in practice: Tapan Shah
FCS No. : 4476
C P No. : 2839
UDIN : F004476E000760858
PR No.: 673/2020

ANNEXURE 5 TO THE BOARD'S REPORT

CONSERVATION OF ENERGY, RESEARCH & DEVELOPMENT (R&D), TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS & OUTGO:

[Pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014]

ENERGY CONSERVATION MEASURES TAKEN:

- Reducing the HP of Motors where possible
- Improvement in low insulation.
- Periodic desertion of Boiler

ADDITIONAL INVESTMENT AND PROPOSALS, IF ANY, BEING IMPLEMENTED FOR REDUCTION OF CONSUMPTION OF ENERGY:

The Company's Sulphuric Acid plant generates steam, part of the same is used to run our TC, Dyes and Dyes Intermediates plant and balance is used to generate power, by installation of turbine, to run Sulphuric Acid plant itself.

IMPACT OF ABOVE:

The adoption of energy conservation measures indicated above has a consequent impact on cost of production of goods by way of reduction of fuel cost.

Total Energy Consumption per Unit of Production		
	FY 2021-22	FY 2022-23
(i) Total consumption of Electric (Units)	209.03 million	221.75 million
Total Amount (₹ in million)	1393.45 million	1546.76 million
Unit/Average Rate (In ₹)	Unit/₹ 6.67	Unit/₹ 6.98
(ii) Fuel		
Quantity	Kgs 92.53 million	Kgs 48.93 million
	Ltr 0.12 million	Ltr 0.11 million
	MMBTU 0.020 million	MMBTU 0.010 million
	SCM 0.53 million	SCM 0.41 million
Total Amount (₹ in million)	882.39 million	422.69 million
Unit /Average Rate(In ₹)	Kgs/ -₹ 8.92	Kgs/ -₹ 7.50
	Ltr/ -₹ 77.80	Ltr/ -₹ 90.88
	MMBTU/₹ 1306.38	MMBTU/₹ 2163.49
	SCM/₹ 52.51	SCM/₹ 70.31

RESEARCH & DEVELOPMENT (R & D)

Future Plans of Action

The Company will try its best to carry activities in the field of R & D for development of new products and improvements in the existing manufacturing process for better yield.

ANNEXURE 5 TO THE BOARD'S REPORT (CONTD.)

Expenditure on R & D (on standalone basis):

(₹ In million)

	FY 2022-23	FY 2021-22
Capital Expenditure	2.78	4.67
Recurring Expenditure	41.35	44.81
Total	44.13	49.48
Total R&D expenditure as a percentage of total turnover	0.29%	0.27%

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

(a) Efforts in brief:

- I. Company in order to fully utilise its multidimensional manufacturing capacity is always at the forefront to make the best use of its technical capability for better success.
- II. Continuous endeavor to improve Product Quality & Process Yields.

(b) Benefit derived as a result of the above effort:

The Company is able to market its value-added products in Domestic as well as International Market.

(c) Details relating to imported technology: Nil

FOREIGN EXCHANGE EARNING AND OUTGO -

(₹ In million)

Particulars	FY 2022-23	FY 2021-22
(a) Foreign Exchange Inflow		
(i) Foreign Exchange Earning F.O.B. Value of Export	4356.24	5496.55
(b) Foreign Exchange outgo		
(i) Value of imported Raw materials calculated on CIF basis.	1365.56	1524.06
(ii) Value of imported Other materials calculated on CIF basis	0.14	8.70
(iii) Value of imported Capital Goods calculated on CIF basis	673.46	3.64
(iv) Foreign Traveling Expenditure	1.92	0.539
(v) Export Sales Commission	46.8	155.07
(vi) Interest	57.03	19.63
(vii) Bank Charges	4.03	5.64
(viii) Corporate Social Responsibility	Nil	1.97
(ix) Other Selling Expense	7.67	13.30
(x) Legal & Professional Fees	32.32	40.60
(xi) Internet Expense	0.02	Nil

ANNEXURE 6 – CORPORATE SOCIAL RESPONSIBILITY (CSR) REPORT FOR FY 2022-23:

Pursuant to section 134(3)(o) of the Companies Act, 2013 and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

CORPORATE SOCIAL RESPONSIBILITY (CSR) REPORT FOR FY 2022-23

Bodal Chemicals Limited (BCL) vision is to grow Globally and as responsible citizen also fulfill its duty towards society. The Company’s long-term CSR objective is “to improve the quality of life of the communities to whom we serve & attach”

APPROACH:

The Company’s CSR approach would be around following guiding principal.

Impact	Partnership	Affirmative Action
Volunteerism	Communication	Innovation

The Company follows Ackerman’s Model for CSR. This model defines CSR in three different phase.

- First Phase** : Top management recognise social problem.
- Second Phase** : The Company appoints staff specialist to look into the issue and find measures to tackle it.
- Third Phase** : Implementation of the strategy derived

Delivery Mechanism

Whilst a large part of the CSR efforts of BCL will be implemented by an in-house department, in some of the projects company is also partner with the credible organisation to design, fund allocation, implement and review projects. Partner agencies will be selected based on the well-defined selection criteria.

GUIDING PRINCIPLE FOR CSR:

Impact	All CSR initiatives will have well defined KPIs, to measure impacts on target groups.
Partnership	The Company will forge collaborations with NGOs or Organisations those have expertise to implement the projects related to CSR.
Affirmative Actions	The Company will design targeted interventions for the specific group to promote Education, Employability, and Entrepreneurship.
Volunteerism	BCL is providing opportunity to their employees, their families, and BCL ecosystem to engage in volunteering activities that will benefit to the community in which they live and work.
Communication	It is very important principle, the Company have two-way communication channel, where we communicate with community people to understand their needs, expectations and aspirations can be mapped and their satisfaction can be obtained.
Innovation	BCL will endeavour to develop innovative solution to solve seemingly intractable social problem.

AREAS OF INTEREST:

1. Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.
2. Promoting education, employment enhancing vocation skills and the differently abled and livelihood enhancement projects.
3. Promoting gender equality, empowering women by setting up homes and hostels, setting up old age homes and orphanage house, day care centres and other facilities for senior citizens.

ANNEXURE – 6 – CORPORATE SOCIAL RESPONSIBILITY (CSR) REPORT FOR FY 2022-23: (CONTD.)

4. Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil or air and water including contribution to the clean Ganga set-up by the Central Government for rejuvenation of river Ganga.
5. Promotion and protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art, setting up public libraries.
6. Measure for the benefit of armed forces veterans, war widows and their dependents.
7. Training to promote rural sports, nationally recognised sports, Paralympics sports and Olympic sports.
8. Contribution to the Prime Minister’s National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief fund and welfare of the schedule castes, the scheduled tribes, other backward classes, minorities and women.

[Contribution to any fund set up by Central Government means it does not include the fund set up by State Government or any local Government.
9. Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government.
10. Rural development projects.
11. Slum area development.
12. Disaster Management, Including relief, rehabilitation and reconstruction Activities.

ANNEXURE – 6 – CORPORATE SOCIAL RESPONSIBILITY (CSR) REPORT FOR FY 2022-23: (CONTD.)

“ANNEXURE -II

**THE ANNUAL REPORT ON CSR ACTIVITIES
TO BE INCLUDED IN THE BOARD’S REPORT FOR FINANCIAL YEAR 2022-23**

1	Brief outline on CSR Policy of the Company.	The Company intends to make a Positive Difference for the Society and Contribute its share towards the Social Cause of betterment of Society and area in which Company Operates. The Company aims to create educated, healthy, sustainable and culturally vibrant communities. We also contribute as a Company to various charitable causes and we seek to participate in ways that touch people's lives in these communities.
----------	--	--

2 Composition of CSR Committee:

SR. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Suresh J Patel	Chairman/ Chairman and MD	4	3
2	Mr. Ankit S Patel	Member/Executive Director	4	4
3	Mr. Sunil K Mehta retire w.e.f. 13th December 2022	Member/ Independent Director	3	3
4	Mr. Rohit B Maloo Appointed w.e.f. 12th December 2022	Member/ Independent Director	1	1

3	Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company.	https://www.bodal.com/files/titlepdf1631788494_61431dce09849.pdf
4	Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).	Not Applicable
5	Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any	Board and CSR Committee decide to No Excess CSR Amount of FY 2022-23 will be carry forward in Next Year

SR. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be setoff for the financial year, if any (in Rs)
Not Applicable as No Amount is Available for set off in pursuant to Sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014			

ANNEXURE – 6 – CORPORATE SOCIAL RESPONSIBILITY (CSR) REPORT FOR FY 2022-23: (CONTD.)

6	Average net profit of the Company as per section 135(5).	1,090,337,428.78
7	(a) Two percent of average net profit of the Company as per section 135(5)	21,806,748.58
	(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	0
	(c) Amount required to be set off for the financial year, if any	0
	(d) Total CSR obligation for the financial year (7a+ 7b- 7c)	21,806,748.58

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

Total Amount Spent for the FY 2022-23. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
₹ 22,266,653.70	0	0	0	0	0

(b) Details of CSR amount spent against ongoing projects for the financial year: - Not Applicable

1	2	3	4	5	6	7	8	9	10	11
SR. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No).	Location of the project.	Project duration.	Amount allocated for the project (in ₹).	Amount spent in the current financial Year (in ₹).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency
				State. District.					Name	CSR Registration number

Not Applicable as No Amount is Available for set off in pursuant to Sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

1	2	3	4	5	6	7	8		
SR. No.	Name of the Project/Name of Activities	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the project.	Amount spent for the project/ Activity (in ₹).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.		
				State. District.			Name. CSR-1 Number		
1	Being Amount paid to Bhartiya Vidya Bhavan towards CSR Activity	Promotion of Education	Y	Ahmedabad Gujarat	Ahmedabad	300,000.00	Direct by Company	NA	NA
2	Being Amount paid to All In Development (AID) towards CSR Activity	Promotion of Education and Health Care and Social Works	Y	Ahmedabad Gujarat	Ahmedabad	75,000.00	Direct by Company	NA	NA

ANNEXURE – 6 – CORPORATE SOCIAL RESPONSIBILITY (CSR) REPORT FOR FY 2022-23: (CONTD.)

1	2	3	4	5		6	7	8	
				State.	District.			Name.	CSR-1 Number
SR. No.	Name of the Project/Name of Activities	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Amount spent for the project/ Activity (in ₹).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
3	Amount paid to Leon Paints towards Colour work at School at Bodal Village	Promotion of Education	Y	Gujarat	Bodal Village	93,006.00	Direct by Company	NA	NA
4	Being Amount paid to "YUVA UNSTOPPABLE" towards CSR Activities	Promotion of Education and Health Care and Social Works	Y	Not Applicable	Not Applicable	1,300,000.00	Through Impelement Agency	CSR Contribution through "YUVA UNSTOPPABLE"	CSR00000473
5	Being amount paid to SHIV SHAKTI EARTH MOVERS towards Infrastructure Development Work at Dudhwada Gram Panchayat	Rural Development	Y	Gujarat	Dudhwada	178,564.00	Direct by Company	NA	NA
6	Being amount paid to ACCUTECH TECHNOLOGIES PVT. LTD. For purchase of VE Projector and Computer parts towards CSR Activities	Promotion of Education	Y	Gujarat	Not Applicable	1,334,364.00	Direct by Company	NA	NA
7	Being Amount SHRI KHAMBHAT TALUKA SARVAJANIK KELAVANI MADAL towards CSR Activity	Promotion of Education	Y	Gujarat	Khmbhat	500,000.00	Direct by Company	NA	NA
8	Being Amount Paid to SHYAM THELI BHANDAR for purchase of School Bags for distributed at Ekalbara Primary School towards CSR Activities	Promotion of Education	Y	Gujarat	Ekalbara Village Padra Vadodara	21,870.00	Direct by Company	NA	NA
9	Being Amount paid to Sanjay Sales to purchase of Socks for distributed at Ekalbara Primary School	Promotion of Education	Y	Gujarat	Ekalbara Village Padra Vadodara	6,920.00	Direct by Company	NA	NA
10	Being Amount paid to KOSI GRAM PANCHAYAT towards purchase of water Cooler	Promotion of Healthcare	Y	Uttar Pradesh	Kosi Uttar Pradesh	46,500.00	Direct by Company	NA	NA
11	Being amount paid to Shivam Construction	Preventive Healthcare and Rural Development	Y	Gujarat	Ranoli	500,000.00	Direct by Company	NA	NA

ANNEXURE – 6 – CORPORATE SOCIAL RESPONSIBILITY (CSR) REPORT FOR FY 2022-23: (CONTD.)

1	2	3	4	5		6	7	8	
				State.	District.			Name.	CSR-1 Number
SR. No.	Name of the Project/Name of Activities	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Amount spent for the project/ Activity (in ₹).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
12	baeing Amount paid to CGSM & RC SANCHALIT SHRADDHA HOSPITAL towards CSR Activities	Promotion of Healthcare	Y	Not Applicable	Not Applicable	320,861	Direct by Company	NA	NA
13	Being Amount paid to AGARWAL ASSOCIATES towards CSR Activity	Social Development	Y	Gujarat	Not Applicable	26,299.00	Direct by Company	NA	NA
14	Being Amount Paid to SAPNA foundation towards CSR Activity	Social Development-Covered activites mentioned in Schedule VII	N	NA	NA	500,000.00	Through Impelement Agency	Through SAPNA Foundation	CSR00000235
15	Being Amount paid to KARMA FOUNDATION towards CSR Activity	Social Development-Covered activites mentioned in Schedule VII	N	NA	NA	100,000.00	Through Impelement Agency	Through KARMA Foundation	CSR00017932
16	Being amount paid for KARMAPUTRA CHARITABLE TRUST towards CSR Activity	Social Development-Covered activites mentioned in Schedule VII	N	NA	NA	10,500,000.00	Through Impelement Agency	Through KARMAPUTRA CHARITABLE TRUST Foundation	CSR00022403
17	Being amount paid for SWARVEDA MAHAMANDIR TRUST towards CSR Activity	Social Development-Covered activites mentioned in Schedule VII	N	NA	NA	250,000.00	Through Impelement Agency	Through SWARVEDA MAHAMANDIR TRUST Foundation	CSR00014709
18	Being amount paid to SARVA VIDYALAYA KELVANI MANDAL towards CSR Activity	Promotion of Education	Y	Gujarat	Gandhinagar Ahmedabad	4,500,000.00	Through Impelement Agency	Through SARVA VIDYALAYA KELVANI MANDAL Foundation	CSR00011324
19	Being amount paid to SHIV SHANKAR CEMENE STORE towards Building Development at Village	Rural Development	Y	Punjab	Rajpura	15,960.00	Direct by Company	NA	NA
20	Being Amount paid to K.K. SPUN PIPES CO. for Building Development at Village	Rural Development	Y	Punjab	Rajpura	49,560.00	Direct by Company	NA	NA
21	Amount spent for Road Construction/ Repair work from Village DAMENHERI TO AMAN SERVICE STATION	Rural Development	Y	Punjab	Village Damenheri Rajpura Punjab	1,350,010.00	Direct by Company	NA	NA

ANNEXURE – 6 – CORPORATE SOCIAL RESPONSIBILITY (CSR) REPORT FOR FY 2022-23: (CONTD.)

1	2	3	4	5		6	7	8	
				State.	District.			Name.	CSR-1 Number
SR. No.	Name of the Project/Name of Activities	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent for the project/ Activity (in ₹).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
22	Being amount given for purchase of Speaker System Given to Govt. Primary School	Rural Development	Y	Punjab	VILL. KHADAULI, Rajpura Punjab	10,000.00	Direct by Company	NA	NA
23	Being Amount spent for 20000 Interlock Tile to Gram Panchayat	Rural Development	Y	Punjab	Village Damenheri Rajpura Punjab	185,000.00	Direct by Company	NA	NA
24	Being amount paid to AMBALAL GHANSHYAMBHAI CO. to purchase Provision & Kariyana towards Contribution as CSR Activities	Preventive Healthcare	Y	Gujarat	NA	102,740.00	Direct by Company	NA	NA
						22,266,653.70			

(d) Amount spent in Administrative Overheads	Nil
(e) Amount spent on Impact Assessment, if applicable	NIL
(f) Total amount spent for the Financial Year (8b+8c+8d+8e)	22,266,653.70
(g) Excess amount for set off, if any	Board and CSR Committee decide to No Excess CSR Amount of FY 2021-22 will be carry forward in Next Year

Sl. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the Company as per section 135(5)	21,806,748.58
(ii)	Total amount spent for the Financial Year	22,266,654.00
(iii)	Excess amount spent for the financial year [(ii)-(i)]	459,905.42
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	459,905.42

ANNEXURE – 6 – CORPORATE SOCIAL RESPONSIBILITY (CSR) REPORT FOR FY 2022-23: (CONTD.)

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

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in ₹)	Reason for not Transfer
				Name of the Fund	Amount (in ₹).	Date of transfer.		
1	FY 2019-20	0	14,589,246.40	Nil	0	Nil	26032687.02	During the FY 2019-20 Company has planned to give amounts to the hospitals and others at end of year but due to the lockdown announced by Guj Govt w.e.f 22nd March 2020, Company was not able to spend full amount.
2	FY 2020-21	0	35,717,851.00	Nil	0	Nil	Nil	Nil
3	FY 2021-22	0	25,949,004.70	Nil	0	Nil	Nil	Nil
	Total	0	76,256,102.10					

(b) Details of CSR amount spent in the financial year for Ongoing projects of the preceding financial year(s):

1	2	3	4	5	6	7	8	9
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced	Project duration.	Total amount allocated for the project (in ₹).	Amount spent on the project in the reporting Financial Year (in ₹).	Cumulative amount spent at the end of reporting Financial Year. (in ₹)	Status of the project - Completed /Ongoing.
No CSR Amount spent in the Financial year for Ongoing Projects of the preceding financial years								
TOTAL								

10 In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).

(a) Date of creation or acquisition of the capital asset(s).	Not Applicable
(b) Amount of CSR spent for creation or acquisition of capital asset.	Not Applicable
(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	Not Applicable
(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).	Not Applicable

11 Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5).

	Not Applicable
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ANNEXURE 7 TO THE BOARD'S REPORT

FORM NO. AOC-2

Particulars of Contracts/arrangements made with related parties

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

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

A. Details of contracts or arrangements transactions not at arm's length basis

There were no contracts or arrangements or transactions entered in to during the year ended on 31st March 2021, which were not at arm's length basis.

B. Details of material contracts or arrangement or transactions at arm's length basis

There were no material transactions entered in to during the year ended on 31st March 2023 with the related parties of the Company. Further below mentioned transactions entered by the Company with related parties were at arm's length basis for the year ended 31st March 2023.

Sr. No	Particulars	Details	Details	Details
1.	Name(s) of the related party and nature of relationship	Shanti Inorgo Chem (Guj.) Pvt. Ltd. Mr. Suresh J. Patel, Chairman and Managing Director is interested through his brother who is Director and member in Shanti Inorgo Chem (Guj.) Pvt. Ltd.	Bodal Chemicals Trading Private Ltd. Wholly owned Subsidiary Company of Bodal Chemicals Ltd.	Pluto Ecco Enviro Association Associate company of BCL
2.	Nature of contracts/arrangements/ transactions	Sale and purchase	Sale and purchase	Sale of Land
3.	Duration of the contracts / arrangements/transactions	Repetitive during the year	Repetitive during the year	-----
4.	Salient terms of the contracts or arrangements or transactions including the value, if any	₹ 5.28 million	₹0.01 million	-----
5.	Date(s) of approval by the Board	28th May 2014	9th February 2021	9th June 2021
6.	Amount paid as advances, if any :	--	--	-----

ANNEXURE 7 TO THE BOARD'S REPORT (CONTD.)

Sr. No	Particulars	Details	Details	Details	Details
1.	Name(s) of the related party and nature of relationship	Bodal Chemicals Trading (Shijiazhuang) Co., Ltd. (w.e.f. 3rd January 2019) Wholly owned Subsidiary Company of Bodal Chemicals Ltd	SENER BOYA KIMYA TEKSTIL SANAYI VE TICARETANONIM SIRKETI (Subsidiary Company of Bodal Chemicals Ltd)	Bodal Bangla Ltd (w.e.f. 22nd September 2019 Wholly Owned Subsidiary of Bodal Chemicals Ltd)	PT Bodal Chemicals Indonesia-
2.	Nature of contracts/ arrangements/transactions	Sale and purchase	Sale and purchase	Sale and purchase	Sale and Purchase
3.	Duration of the contracts / arrangements/transactions	Repetitive during the year	Repetitive during the year	Repetitive during the year	Repetitive during the year
4.	Salient terms of the contracts or arrangements or transactions including the value, if any	₹ 288.8 million	₹ 430.8 million	--	₹ 24.2 million
5.	Date(s) of approval by the Board	9th February 2021	9th February 2021	9th February 2021	11th February 2023
6.	Amount paid as advances, if any :	--	--	--	-----

For and on behalf of the Board

SURESH J. PATEL

Chairman & Managing Director
(DIN: 00007400)

Date : 11th August 2023

Place: Ahmedabad

REPORT ON CORPORATE GOVERNANCE

Pursuant to Regulation 34 read with Schedule V and Regulation 17 to 27 and 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Report on Corporate Governance is as follows:

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Your Company appreciates the noble idea of Corporate Governance and endeavors not only to abide by and comply with, the stipulated requirements related thereto, both in its word and spirit, but has also voluntarily contemplated to establish and maintain Good Corporate Governance standards and mechanism in conformity with the contemporary national and international practices on various relevant matters including prompt dissemination of information and expeditious redress of grievances of investors and public in general.

The policies and practice of Corporate Governance of the Company are inspired by following philosophy and principles with an earnest attempt to accomplish the same:

(a) Transparency:

To maintain in all aspects, high standards of transparency, in our interactions and dealings.

(b) Disclosures:

To ensure timely dissemination of all price sensitive information and matters of importance to protect the interest of investors.

(c) Accountability:

To demonstrate highest levels of personal responsibility and continually affirm that employees are responsible to themselves for the pursuit of excellence.

(d) Compliances:

To comply with all the laws and regulations as applicable to the Company.

(e) Ethical conduct:

To conduct in an ethical manner, the affairs of the Company.

(f) Stakeholders' interest:

To promote the interests of all stakeholders including of customers, shareholders, employees, vendors, governments and the community.

The Company's philosophy of Code of Corporate Governance is aimed at assisting the top management in the efficient conduct of its business and fulfilling its obligations towards the Government, its shareholders, employees and other stakeholders.

Your Board believes that Corporate Governance is a powerful medium of sub-serving the long-term interests of its stakeholders for the attainment of transparency, accountability and equity in all facets of its operations

by enhancing and sustaining its corporate value through growth and innovation.

The Company has established systems, policies and practices which are fully compliant with the requirements stipulated by the Securities and Exchange Board of India ("SEBI") from time to time under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These systems, policies and practices of the Company are designed to further the objectives of Good Corporate Governance of the Company, thereby enhancing its performance and increasing stakeholder's value.

This report sets out the compliance status of the Company during the financial year 2022-23 with respect to the conditions of corporate governance.

Board of Directors:

a. Composition of the Board

The Company's board consists of 8 (Eight) Directors as on 31st March 2023 Out of 8 Directors, 4 Directors are Independent Directors (Non Executive) including one (1) woman Director. The Chairman of the Board is an Executive Director. The Profile of the Directors can be found on website of the Company: www.bodal.com. The Composition of Board is in conformity with Regulation 17 of the SEBI Listing Regulation read with Section 149 of the Act.

The Composition of Board is as follows:

Promoter-Promoter Group Director	Executive Director	Independent Director (Non-Executive)
Mr. Suresh J. Patel * (Din:00007400) Promoter Chairman & Managing Director	Mr. Rajarshi Ghosh (DIN:08715159) Director-HSE	Mr. Nalin Kumar (Din: 03060741) Mr. Sunil K Mehta@ (Din:01736527)
Mr. Bhavin S. Patel* (Din:00030464) (Promoter Group) Executive Director		Mrs. Neha Huddar (Din:00092245)
Mr. Ankit S. Patel (Din:02173231) (Promoter Group) Executive Director		Mr. Mayank K Mehta (Din: 03554733) Mr. Rohit B Maloo# (Din: 09806284)

REPORT ON CORPORATE GOVERNANCE (CONTD.)

* During the year, Mr. Suresh J Patel, Chairman and MD and Mr. Bhavin S Patel, Executive Director of the Company reappointed for the term of Three years w.e.f 13th May 2023. Company has been received shareholder approval for their re-appointment by passing resolution passed through Postal Ballot.

@ During the year, Mr. Sunil K Mehta Independent Director of the Company retired from the post of Independent Director of the Company due end of his 2nd term as independent director w.e.f. 13th December 2022.

During the year, Board members in their meeting held on 12th December 2022 appointed Mr. Rohit B Maloo, as Additional Director w.e.f. 12th December 2022 and he was regularised as a Independent Director w.e.f.12th December 2022 by passing special resolution through Postal Ballot on 24th January 2023.

Notes:

1. None of the Independent Directors of the Company had any material pecuniary relationship or transactions with the Company, it's promoter, its management during the Financial Year 2022-23, which may affect independence of the Independent Directors.
 2. None of the Directors on the Board hold directorship in more than ten public Companies. None of the Independent Directors serve as an Independent director on more than Seven Listed Entities. Necessary Disclosures regarding Committee positions in other public Companies as on 31st March 2023 have been made by the Directors.
 3. All Directors mentioned above as Independent Directors, they fall within the expression of "Independent Directors" as mentioned in regulation 16(b) of the SEBI (Listing Obligation and Disclosure) Regulations, 2015.
 4. The Independent Directors of the Company fully meet the requirements laid down under Regulation 16(1)(b) of the SEBI (LODR) Regulations, 2015. The Company has received a declaration from each of the Independent Directors confirming compliance with the criteria of Independence as laid down under this regulation as well as Section 149(6) of the Companies Act, 2013.
5. In terms of Regulation 25(8) of SEBI LODR Regulations, All Independent Directors have Confirmed that they are not aware of any circumstances or Situation which exists or may be reasonably anticipated that could Impair or Impact their ability to discharge their duties.
 6. In accordance with the erstwhile Clause 49 of the Listing agreement, the Company has issued formal Letter of Appointment to all the Independent Directors. The terms and Conditions of their appointment have also been disclosed on the website of the Company. www.bodal.com

b. Board Meeting and Agenda:

The Board generally meets once in a quarter to review the Quarterly/Half Yearly/Annual performance and financial result of the Company. The Compliance Reports in respect of applicable laws are placed before the Board periodically. Agenda papers containing the necessary information/ documents are made available to the Board to discharge its responsibility effectively and take effective decisions. In addition to the information required under Regulation 17(7) read with Part A of Schedule II of the Listing Regulations, which is required to be placed before the Board, the Directors are also kept informed of major events and approvals obtained, if necessary.

The Company Secretary, while preparing the Agenda, Notes to Agenda and Minutes of the Meeting(s), is responsible for and is required to ensure adherence to all applicable laws and regulations, including Companies Act, 2013 read with rules issued thereunder, as applicable and the Secretarial Standards recommended by the Institute of Company Secretaries of India (ICSI). Draft Minutes are circulated to the Board/Committee Board Members for their comments. The Minutes are entered in the Minutes Book within 30 days from the Conclusion of the meeting. The Company Secretary attends and acts to as secretary of all the Meetings of the Board and its Committees.

Further, Relaxation given by Ministry of Corporate Affairs and SEBI in their circular, all Board Meetings

REPORT ON CORPORATE GOVERNANCE (CONTD.)

and Committee meetings conducted through Video Conference (“VC”) and (“OAVM”) Mode.

Further, Company has been complied with all clause for Conducted Board Meetings and Committee meetings through Video Conference (“VC”) and Other Audio Visual Means (“OAVM”). Further, recording of Proceedings and Quorum of All Board Meetings and Committee meetings has been kept with secretarial department of the Company.

During the year, Information as mentioned in Part A of Schedule II of SEBI Listing Regulations, has been placed before the Board for its Consideration.

The Board periodically reviews the Compliance reports of all laws applicable to the Company.

Attendance record of Board meetings:

During the Financial Year, 2022-23, 5 (Five) Board meeting were held on 27th May 2022, 9th August 2022, 14th November 2022, 12th December 2022 and 14th February 2023. The time gap between two Board Meetings was less than 120 days.

During the year, Board members passed resolutions through circulation dated 30th September 2022 which was minuted in Board Meeting held on 14th November 2022.

Details regarding attendance of Board Meeting held during Financial Year 2022-23 and the Last Annual General Meeting held on the 26th September 2022.

Name of the Member and Category of Members	Attendance at the Meeting held on						Attendance at the Last AGM	Mode of Meeting Through
	27th May 2022	9th August 2022	14th November 2022	12th December 2022	14th February 2023	Total Meetings Attended/ Total Meetings During the year		
Mr. Suresh J. Patel MD & CEO	√	√	LoA	√	LoA	3/5	Yes	(“VC”)
Mr. Bhavin S. Patel Executive Director	√	√	√	√	√	5/5	Yes	(“VC”)
Mr. Ankit S. Patel Executive Director	√	√	√	√	√	5/5	Yes	(“VC”)
Mr. Rajarshi Ghosh Director-HSE	√	√	√	√	√	5/5	Yes	(“VC”)
Mr. Sunil K. Mehta Independent Director (Resigned w.e.f.12th December 2022)	√	√	√	√	NA	4/4	Yes	(“VC”)
Mrs. Neha Huddar Independent Director	√	√	√	√	√	5/5	Yes	(“VC”)
Mr. Nalin Kumar Independent Director	√	√	√	√	√	5/5	Yes	(“VC”)

REPORT ON CORPORATE GOVERNANCE (CONTD.)

Name of the Member and Category of Members	Attendance at the Meeting held on						Attendance at the Last AGM	Mode of Meeting Through
	27th May 2022	9th August 2022	14th November 2022	12th December 2022	14th February 2023	Total Meetings Attended/ Total Meetings During the year		
Mr. Mayank K Mehta Independent Director	√	√	√	√	√	5/5	Yes	("VC")
Mr. Rohit B Maloo Independent Director (Appointed w.e.f. 12th December 2022)	NA	NA	NA	NA	LoA	0/5	NA	NA

Note: ID - Independent Director; MD & CEO - Managing Director & Chief Executive Officer; ED – Executive Director; LOA – Leave of Absence; AD-additional Director ("VC")- Video Conference, NA-Not Applicable

Details regarding Directorship(s) and Committee Membership(s) in Other Listed Companies:

Name of Director	Designation	Directorship in other companies *		No of Committee position held in other Companies*		Directorship in other listed entity- Category of Directorship
		Chairman	Member	As Chairman	As Member	
Mr. Suresh J. Patel- DIN: 00007400	Chairman and MD	NIL	NIL	NIL	NIL	NIL
Mr. Bhavin S. Patel- DIN: 00030464	Executive Director	NIL	NIL	NIL	NIL	NIL
Mr. Ankit S. Patel- DIN: 02173231	Executive Director	NIL	NIL	NIL	NIL	NIL
Mr. Rohit B Maloo- DIN: 09806284	Independent Director	NIL	NIL	NIL	NIL	NIL
Mr. Nalin Kumar- DIN: 03060741	Independent Director	NIL	NIL	NIL	NIL	NIL
Mrs. Neha S. Huddar- DIN: 00092245	Independent Director	NIL	02	NIL	4	Independent Director
Mr. Rajarshi Gosh- DIN: 08715159	Director-HSE	NIL	NIL	NIL	NIL	NIL
Mr. Mayank K Mehta DIN: 03554733	Independent Director	NIL	NIL	NIL	NIL	NIL

The Directorships/Committee Memberships are based on the latest disclosures received by the Company:

Notes:

*Other Directorship do not include directorship of unlisted public/ private Ltd. companies, foreign companies and companies registered under Section 8 of the Act, Further, None of them is a member of more than ten Committees or Chairman of five Committees across all the public companies in which he/she is Director. For the purpose of

REPORT ON CORPORATE GOVERNANCE (CONTD.)

determination of limits of the Board Committees, Chairpersonship and membership of the Audit Committee and Stakeholders' Relationship Committee has been Considered as per Regulation 26(1)(b) of SEBI Listing Regulations.

In Bodal, the Board has constituted Eight Standing Committees, namely Audit Committee, Share Transfer Committee, Stakeholders' Relationship Committee/Investor Grievance Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Risk Management Committee and Management Committee, Business Growth Committee.

The Board constitutes additional functional committees, from time to time, depending on the business needs.

The details of sitting fees, commission and remuneration paid to each director appear later under the disclosure relating to Remuneration to Directors.

C. Details of Share Holdings of Executive and Non-Executive Directors as on 31st March 2023:

Sr. NO	Name of Director With Designation	Status/ Category	Relationship between Directors	No. of Share Held as on 31st March 2023	% holding as on 31st March 2022
1	Mr. Suresh J. Patel Chairman & M. D.	Promoter Executive Director	Mr. Bhavin S Patel, Executive Director and Mr. Ankit S Patel, Executive Director are sons of Mr. Suresh J Patel (Chairman and MD)	3,71,12,857	29.54
2	Mr. Bhavin S. Patel Executive Director	Promoter group Executive Director	Mr. Suresh J Patel (Chairman and MD) is father and Mr. Ankit S Patel, Executive Director is brother of Mr. Bhavin S Patel (Executive Director)	1,04,96,342	8.36
3	Mr. Ankit S. Patel Executive Director	Promoter group Executive Director	Mr. Suresh J Patel (Chairman and MD) is father and Mr. Bhavin S Patel, Executive Director is brother of Mr. Ankit S Patel (Executive Director)	72,61,072	5.78
4	Mr. Sunil K Mehta Independent Director (Retired w.e.f. 13th December 2022)	Independent Director Non-Executive Directors		20,00,00	0.15
5	Mr. Nalin Kumar Independent Director	Independent Director Non-Executive Director		NIL	NIL
6	Mrs. Neha Huddar Independent Director	Independent Director Non-Executive Director		1000	0.00
7	Mr. Rajarshi Ghosh	Director-HSE		NIL	NIL
8	Mr. Mayank K Mehta	Independent Director		NIL	NIL
9	Mr. Rohit B Maloo (Appointed w.e.f.12th December 2022)	Independent Director		NIL	NIL

REPORT ON CORPORATE GOVERNANCE (CONTD.)

d. Code of Conduct

The Company has adopted a revised/amended Code of Conduct for Directors and Senior Management of the Company as per Regulation 17(5) of the SEBI (LODR) Regulations, 2015 and subsequent amendments as SEBI (LODR) Amendments Regulations, 2018. The Company has received confirmation from the Directors and Senior Management regarding compliance with the code for the financial year ended 31st March 2023. A declaration to this effect duly signed by CEO of the Company is attached herewith and forms a part of Corporate Governance Report. The code has been displayed on the Company's website www.bodal.com

COMMITTEE OF THE BOARD

Audit Committee

The Audit Committee of the Company is constituted in line with the provisions of Section 177 of the Companies Act, 2013 read with Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Audit Committee of the Company consists of Four Directors. All the members of the Committee are financially literate. The Chairman of the Committee is Mr. Rohit B Maloo, Non Executive and Independent Director. The Other Members of the Committee are Mr. Nalin Kumar, Non Executive and Independent Director, Mrs. Neha S. Huddar, Non Executive and Independent Director and Mr. Bhavin S Patel, Executive Director.

Brief description of terms of reference:

The terms of reference of the Audit Committee cover the matters specified Under Regulation 18 read with Part C of Schedule II to the SEBI LODR and Section 177 of the Companies Act, 2013. The terms of reference for the Audit Committee are broadly as under:

1. Oversight of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending the appointment, remuneration and terms of appointment of auditors of the Company.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management the annual financial statements and the auditor's report thereon, before submission to the Board for approval, with particular reference to:
 - Matters required to be included in Director's Responsibility Statement included in Board's report;
 - Changes, if any, in accounting policies and practices and reasons for the same;
 - Major accounting entries based on exercise of judgment by management;
 - Significant adjustments made in the financial statements arising out of audit findings;
 - Compliance with listing and other legal requirements relating to financial statements;
 - Disclosure of any related party transactions;
 - Qualifications in the draft audit report;
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
6. Reviewing, with the management, statement of uses and application of funds raised through an issue, statement of funds utilised for other purposes and report of monitoring agency.
7. Review and monitor the auditors' independence and performance, and effectiveness of audit process.
8. Approval or any subsequent modification of transactions of the Company with related parties.
9. Scrutiny of inter-corporate loans and investments.
10. Valuation of undertakings or assets of the Company, wherever it is necessary.
11. Evaluation of internal financial controls and risk management systems.
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official

REPORT ON CORPORATE GOVERNANCE (CONTD.)

- heading the department, reporting structure coverage and frequency of internal audit.
14. Discussion with internal auditors of any significant findings and follow up thereon.
 15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
 16. Discussion with statutory auditors before the audit commences about nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
 17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
 18. To review the functioning of the Whistle-Blower mechanism.
 19. Approval of appointment of Chief Financial Officer.
 20. To review report submitted by Monitoring Agency informing material deviations in the utilisation of issue proceeds and to make necessary recommendations to the Board, if, when and where applicable.
 21. reviewing the utilisation of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 Crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments.
 22. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee

The audit committee shall mandatorily review the following information:

- management discussion and analysis of financial condition and results of operations;- statement of significant related party transactions (as defined by the audit committee), submitted by management;- management letters / letters of internal control weaknesses issued by the statutory auditors;- internal audit reports relating to internal control weaknesses; and- the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.-statement of deviations:
 - (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - (b) annual statement of funds utilised for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7).

During the year under review, the Committee met 04 times on 27th May 2022, 9th August 2022, 14th November 2022 and 14th February 2023.

Attendance of the Members at the meetings was as follows:

Name of Members	Status		27th May 2022	9th August 2022	14th November 2022	14th February 2023	Total No. of Meetings Attended/Total Number of Meetings held during the year	Mode of Meeting
	Category	Designation						
Mr. Sunil K Mehta (Retired w.e.f. 13th December 2022)	ID-NED	Chairman	√	√	√	NA	3/3	Video Conference
Mr. Bhavin S Patel	ED	Member	√	√	√	√	4/4	Video Conference
Mr. Nalin Kumar	ID-NED	Member	√	√	√	√	4/4	Video Conference
Mrs. Neha S. Huddar	ID-NED	Member	√	√	√	√	4/4	Video Conference
Mr. Rohit B Maloo (Appointed w.e.f. 12th December 2022)	ID-NED	Chairman	NA	NA	NA	LoA	0/4	Video Conference

REPORT ON CORPORATE GOVERNANCE (CONTD.)

ID - NED Independent Director-Non Executive Director; ED – Executive Director;

Notes:

Four Meetings of the Audit Committee were held during the year under review and the gap between two meetings did not exceed one hundred and twenty days.

Committee invites such of the Executives as it considers appropriate, representative of the Statutory Auditors and Internal Auditors to be present at Committee Meetings.

The Company Secretary acts as the secretary to the Audit Committee.

Quarterly Reports are sent to the members of the Committee on matters relating to the Insider trading Code.

The Previous AGM of the Company was held on 26th September 2022 and was attended by Mr. Sunil K Mehta, Former Chairman of the Audit Committee.

The Audit Committee has reviewed the Management Discussion and Analysis of financial condition and results of operations forming part of this Annual

During the year under review, the Committee met 03 times on 27th May 2022, 16th September 2022 and 12th December 2022. Details of Members of the Committee and attendance of the members at the meetings were as follows:

Name of Members	Status		Attendance at the Meeting Held on			No. of Meeting attended/Total Number of Meeting held	Mode of Meeting through
	Category	Designation	27th May 2022	16th September 2022	12th December 2022		
Mr. Sunil K Mehta (Retired w.e.f. 13th December 2022)	ID-NED	Chairman	√	√	√	3/3	Video Conference
Mr. Nalin Kumar	ID-NED	Member	√	√	√	3/3	Video Conference
Mrs. Neha S. Huddar	ID-NED	Member	√	√	√	3/3	Video Conference
Mr. Rohit B Maloo (Appointed w.e.f. 12th December 2022)	ID-NED	Chairman	NA	NA	NA	NA	-----

ID - NED Independent Director-Non Executive Director; ED – Executive Director;

Report and other information.

The following business was conducted during the year.

- Review of quarterly financial statements.
- Review of internal control systems with reference to the audits conducted by the internal auditors.
- Review of annual financial statements for the financial year 2022-23.
- Review of related party disclosures by the Directors.
- Review of Business performance of the Company.
- Review of Other business/Business Transactions which were covers under Scope and term of reference of Audit Committee.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee (NRC) of the Board consists of Independent Directors (Non Executive) only.

REPORT ON CORPORATE GOVERNANCE (CONTD.)

Notes:

Mr. Ashutosh B. Bhatt is acting as Secretary to the NRC Committee.

All the members of the Nomination and Remuneration Committee are Non-Executive Independent Directors.

The terms of reference of the Committee are in line with the requirements of the Companies Act, 2013 and Regulation 19 read with Part D of Schedule II to the SEBI LODR.

➤ Terms of Reference

- Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors a policy relating to, the remuneration of the Directors, key managerial personnel and other employees
- Formulation of criteria for evaluation of performance of Independent Directors and the Board
- Devising a policy on Board diversity
- Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal
- Whether to extend or continue the term of appointment of an Independent Director, on the basis of the report of performance evaluation of Independent Directors.
- Recommend to the board, all remuneration, in whatever form, payable to senior management.

Remuneration Policy:

The Remuneration Committee of the Board of Directors of the Company generally decides and makes recommendations to the Board of Directors about the remuneration to be paid to the Directors and other Key Managerial Persons of the Company. The remuneration of key Managerial Personnel is to be recommended by the NRC Committee to Board.

- To ensure that the level and components of remuneration is reasonable and sufficient to attract, retain and motivate Directors, KMP and other employees of the quality required to run the Company successfully.
- No director/KMP/ other employee is involved in deciding his or her own remuneration.
- It is to be ensured that relationship of remuneration to the performance is clear & meets appropriate performance benchmarks, which are unambiguously laid down and communicated.
- Improved performance should be rewarded by increase in remuneration and suitable authority for value addition in future.
- Remuneration packages should strike a balance between fixed and incentive pay, where applicable, reflecting short and long term performance objectives appropriate to the Company's working and goals.
- **Following criteria are also to be Considered:-**
 - Responsibilities and duties;
 - Time & efforts devoted;
 - Value addition;
 - Profitability of the Company & growth of its business;

REPORT ON CORPORATE GOVERNANCE (CONTD.)

- Analyzing each and every position and skills for fixing the remuneration yardstick;
- Standards for certain functions where there is a scarcity of qualified resources.
- Ensuring tax efficient remuneration structures.
- Ensuring that remuneration structure is simple and that the cost to the Company (CTC) is not shown inflated and the effective take home remuneration is not low.
- Other criteria as may be applicable.
- Consistent application of remuneration parameters across the organisation.
- Provisions of law with regard to making payment of remuneration, as may be applicable, are complied.
- Whenever, there is any deviation from the Policy, the justification /reasons should also be indicated/ disclosed adequately.

Remuneration paid to Executive Directors for the Financial Year 2022-23

The remuneration paid to Executive Directors was recommended by NRC Committee and fixed by the Board of Directors and approved by the shareholders in general meetings. The remuneration paid to Executive Directors in pursuant to Sections 196, 197, 203 read with Schedule V and other applicable provisions of the Companies Act, 2013. The details of remuneration paid to Executive Directors are as below:

(Amount in ₹)

Particulars	Mr. Suresh J. Patel Chairman & Managing Director	Mr. Bhavin S. Patel Executive Director	Mr. Ankit S. Patel Executive Director	Mr. Rajarshi Ghosh Director-HSE	Total
(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	16200000	10800000	10800000	2308740	40108740
(b) Value of perquisites under Section 17(2) Income Tax Act, 1961	65753	245079	861331	32400	1204563
(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	NIL	NIL	NIL	NIL	NIL
Stock Options	NIL	NIL	NIL	NIL	NIL
Sweat Equity	NIL	NIL	NIL	NIL	NIL
Sitting Fees	NIL	NIL	NIL	NIL	NIL
Commission	7500000	1250000	1250000	NIL	10000000
Total	23765753	12295079	12911331	2341140	51313303
Ceiling as per the Act (@10% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013					50108740

Note: Company has passed Special resolution in terms of Section 197,198 Hence, Company can pay Remuneration as per approved limit.

REPORT ON CORPORATE GOVERNANCE (CONTD.)

Sitting Fee paid to Non-Executive Directors for the Financial Year 2022-23.

(Amount in ₹)

Sr. NO.	Particulars	Fees for attending Board Meeting/ Committee Meeting	Commission	Others, Specify	Total Amount
Independent Directors					
1	Mr. Sunil K. Mehta	280000	Nil	Nil	280000
2	Mr. Nalin Kumar	350000	Nil	Nil	350000
3	Mrs. Neha Huddar	310000	Nil	Nil	310000
4	Mr. Mayank K Mehta	200000	Nil	Nil	200000
5	Mr. Rohit B Maloo	10000	Nil	Nil	10000
	TOTAL	1150000	Nil	Nil	1150000

There is no pecuniary relationship or transaction of the Company with any of the Non-Executive Directors.

The Company has paid sitting fees to Non-Executive (Independent) Directors and no stock option is available to the Directors.

No remuneration or Commission is paid to the Non-Executive (Independent) Directors apart from sitting fees for attending the meeting of Board of Directors.

Stakeholders Relationship Committee:

In compliance with the provisions of section 178 of the Companies Act, 2013 and the SEBI (LODR) Regulations 2015 the Board has formed a "Stakeholder's Grievance & Relationship Committee". The Stakeholder's Grievance & Relationship Committee as a Committee of the Board has been constituted mainly to focus on the redressal of Shareholders' and Investors' Grievances, if any, like transfer/transmission/dematerialisation of shares, loss of share certificates, non-receipt of Annual Report, Dividend Warrants and various other grievances of many stakeholders.

❖ Terms of Reference

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

REPORT ON CORPORATE GOVERNANCE (CONTD.)

❖ Composition, Meetings and attendance:

During the Financial Year, 4 meetings were held on 27th May 2022, 9th August 2022, 14th November 2022 and 13th February 2023.

Name of Members and Category	Designation	Attendance at the Meeting held on				Total Meetings attended/ Total No. of Meetings held during the year	Mode of Meeting through
		27th May 2022	9th August 2022	14th November 2022	13th February 2023		
Mr. Sunil K Mehta ID-NED	Chairman	√	√	√	NA Retire w.e.f.13th December 2022	3/4	Video Conference
Mr. Nalin Kumar ID-NED	Member	√	√	√	√	4/4	Video Conference
Mr. Bhavin S Patel ED	Member	√	√	√	√	4/4	Video Conference
Mr. Rohit B Maloo- ID-NED	Chairman	Appointed w.e.f. 12th December 2022			√	1/4	Video Conference

ID - NED Independent Director-Non Executive Director; ED – Executive Director;

Name, Designation, Address and Contact details of the Compliance Officer

Mr. Ashutosh B. Bhatt

Company Secretary & Compliance Officer

Bodal Chemicals Ltd

“BODAL CORPORATE HOUSE”, Beside Maple Green Reasi., Nr. Shilaj Circle, Off. S P Ring Road,

Thaltej, Ahmedabad-380059

Tel. No. 079- 68160100

Email: secretarial@bodal.com

Details of Shareholders’/Investors’ Complaints during the FY 2022-23:

Link Intime India Pvt. Ltd (RTA) the Company, and SCORES- the official website of SEBI received shareholders/ investors complaints and they were resolved by the Company/the RTA in consultation with the Company for the Financial Year 2022-23. The details are as follows:

Sr. No.	Nature of Complaints	Opening Balance 1st April 2022	Received during the year	Redressed/ attended	Pending as on 31st March 2023
1	Non receipt of share certificates after transfer etc.	NIL	NIL	NIL	NIL
2	Non receipt of Dividend Warrants	NIL	NIL	NIL	NIL
3	Query regarding DEMAT credit	NIL	NIL	NIL	NIL
4	Non receipt of duplicate share certificates after issue	NIL	NIL	NIL	NIL
5	Others Received from SEBI/Stock Exchanges	NIL	01	01	NIL
Total		NIL	01	01	NIL

REPORT ON CORPORATE GOVERNANCE (CONTD.)

❖ Prohibition of Insider Trading

The Company in their meeting held on 6th February 2019 adopted revise code of practice and Procedures and code of conduct to regulate, Monitor and Report Trading in Securities by designated persons and relative of designated persons in compliance with SEBI (Prohibition of Insider Trading) (Amendments), Regulations, 2018 and Code of Practices and Procedures for fair Disclosures of Unpublished Price Sensitive Information in compliance with SEBI (Prohibition of Insider Trading) (Amendments), Regulations, 2018

SHARE TRANSFER COMMITTEE

The members of Share Transfer Committee are as below:

❖ Composition

Name of Members	Status	
	Category	Designation
Mr. Suresh J. Patel	Chairman & Managing Director	Chairman
Mr. Bhavin S. Patel	Executive Director	Member
Mr. Ankit S. Patel	Executive Director	Member

The role, terms of reference, authority and powers of the Share Transfer Committee are in conformity with the provisions of the Companies Act, 2013.

MANAGEMENT COMMITTEE

❖ Composition

Name of Members	Status	
	Category	Designation
Mr. Suresh J. Patel	Chairman & Managing Director	Chairman
Mr. Bhavin S. Patel	Executive Director	Member
Mr. Ankit S. Patel	Executive Director	Member

BUSINESS GROWTH COMMITTEE:

Board of Directors at their Board Meeting held on 27th May 2022 constituted a committee to discover, study and explore opportunities for In organic growth having Direct or Indirect Synergies with the business model of the Company.

❖ Composition

Name of Members	Status	
	Category	Designation
Mr. Suresh J. Patel	Chairman	Chairman and MD
Mr. Ankit S Patel	Member	Executive Director
Mr. Rohit B Maloo	Member	Independent Director
Mr. Mayur B Padhya	Member	Chief Financial Officer

INDEPENDENT DIRECTORS MEETING

During the year under review, at least One meeting of Independent Directors of the Company without the presence of Non-Independent Directors and Members of Management was held on 16th March 2023 as required under Schedule IV of the Act (Code of Independent Directors) and Regulation 25(3) of the Listing Regulations. The meeting was attended by all the Independent Directors and Mr. Rohit B Maloo chaired the said meeting.

REPORT ON CORPORATE GOVERNANCE (CONTD.)

During the year, 1 (One) meeting of Independent Directors was held on 16th March 2023. Attendance of Independent Committee meeting as below:

Name of Members	Status		Attendance at the Meeting Held on	No. of Meeting attended/Total Number of Meeting held	Mode of Meeting through
	Category	Designation	16th March 2023		
Mr. Sunil K. Mehta	ID-NED	Chairman	Retired w.e.f. 13th December 2022	NA	Video Conference
Mr. Nalin Kumar	ID-NED	Member	√	1/1	Video Conference
Mrs. Neha S. Huddar	ID-NED	Member	√	1/1	Video Conference
Mr. Mayank K Mehta	ID-NED	Member	√	1/1	Video Conference
Mr. Rohit B Maloo (Appointed w.e.f. 12th December 2022)	ID-NED	Chairman	√	1/1	Video Conference

The Independent Directors reviewed following matter in their Meeting:

- I. Performance of Non Independent Directors and the Board as whole.
- II. Performance of Chairperson of the Board taking into account the views of Executive Directors and Non- Executive Directors; and
- III. Assessment of the quality, quantity and timeliness of flow of information between the Company management and the Board required to effectively and reasonably perform their duties and The Independent Directors have expressed satisfaction.

DIRECTORS' INDUCTION AND FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

The Company has a familiarisation programme for its Independent Directors. The objective of the programme is to familiarise the Independent Directors to enable them to understand the Company, its operations, business, industry and environment in which it functions and the regulatory environment applicable to it. These includes orientation programme upon induction of new Directors as well as other initiatives to update the Directors on a continuing basis. An induction kit is provided to new Directors which includes the annual report, overview of the Company and its operating subsidiaries, Investor/ Earning Presentation, highlights of the major events, projects of the Company, Code of Conduct for Non-Executive Directors including Independent Directors,

Company's Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices, etc.

Pursuant to Regulation 25(7) of the Listing Regulations, the Company imparted various familiarisation programmes to its Directors including review of long-term strategy, industry outlook, regulatory updates at the Board and Audit Committee Meetings, Corporate Social Responsibility, Data Analytics, Tax and Litigation updates. Besides the above, Investor/Earning presentation of the Company are made at their respective Board Meetings and Committees where some of the Independent Directors are also members.

A detailed Appointment Letter incorporating the role, duties and responsibilities, remuneration and performance evaluation process, Code of Conduct and obligations on disclosures, is issued for the acceptance of the Independent Directors.

The inductee has been introduced with the Key Managerial Personnel of the Company. A visit to the Company's Plants was arranged.

Detailed of Familiarization programme is also available of website of the Company www.bodal.com

MATRIX SETTING OUT SKILL BOARD OF DIRECTORS:

The list of core skills/expertise/competencies identified by the Board of Directors as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the Board.

REPORT ON CORPORATE GOVERNANCE (CONTD.)

1	Technical skills- Chemical Industry	2	Business operation and management
3	Research and Development	4	Project Management
5	Risk management	6	Quality and Performance management
7	Board and Governance	8	Strategic planning
9	Global market awareness	10	Finance, Accounting, Auditing,
11	Indian Corporate Laws and Compliance Global Corporate Laws and Compliance	12	Safety management
13	Stakeholder Engagement	14	Merger and acquisitions
15	Government and Government/ industrial policy which in impact to Chemicals business sector	16	Market Awareness of Chemicals Product (Domestic as well as International) awareness of Demand, Supply and Price of Chemicals products
17	Business Ethics as well as Corporate Ethics	18	Human Resources Management and labour Relations/ Labour Laws

The current composition of the Board meets the requirements of skills, expertise and competencies as identified above.

Name of Board Members and Designation	Mr. Suresh J Patel	Mr. Bhavin S Patel	Mr. Ankit S Patel	Mr. Rajarshi Ghosh	Mr. Rohit B Maloo	Mr. Nalin Kumar	Mrs. Neha Huddar	Mr. Mayank K Mehta
	MD-CEO	ED	ED	ED	ID	ID	ID	AD
Technical skills- Chemical Industry	√	√	√	--	--	√	--	-
Business operation and management	√	√	√	√	√	--	√	√
Research and Development	√	√	--	--	--	--	--	-
Project Management	√	√	√	√	√	√	√	√
Risk management	√	√	√	√	√	√	√	√
Quality and Performance management	√	√	√	√	--	--	--	√
Board and Governance	√	√	√	√	√	√	√	√
Strategic planning	√	√	√	√	√	√	√	√
Global market awareness	√	√	√	√	--	--	--	√
Finance, Accounting, Auditing	√	√	√	--	√	√	√	√
Indian Corporate Laws and Compliance Global Corporate Laws and Compliance	--	--	√	√	√	--	√	-
Safety management	√	√	--	√	--	--	--	-
Stakeholder Engagement	--	--	√	√	√	√	√	-
Merger and acquisitions	√	--	√	√	√	√	√	√
Government and Government/ industrial policy which in impact to Chemicals business sector	√	√	--	√	--	--	--	-
Market Awareness of Chemicals Product (Domestic as well as International) awareness of Demand, Supply and Price of Chemicals products	√	√	√	--	--	--	--	-
Business Ethics as well as Corporate Ethics	√	√	√	√	√	√	√	√
Human Resources Management and labor Relations/ Labor Laws	√	√	--	√	--	--	--	√

REPORT ON CORPORATE GOVERNANCE (CONTD.)

ID - Independent Director; MD & CEO - Managing Director & Chief Executive Officer; ED – Executive Director; AD- Additional Director

KYC of Directors-

Pursuant to Companies (Appointment and Qualification of Directors) fourth Amendment Rules, 2018, All the Directors of the Company have completed KYC for the financial year 2023-24.

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

In compliance with the provisions of section 135 of the Companies Act, 2013 the Board has formed a “Corporate Social Responsibility (CSR) Committee”.

The CSR Committee has been entrusted with the specific responsibility of reviewing Corporate social responsibility programmes, health and safety framework and sustainable development. The overall roadmap, as well as specific issues of concern including those related to safety and climate change is reviewed in detail. The scope of the CSR Committee also includes approving the budget of CSR, reviewing the CSR programmes and monitoring the CSR spends.

Composition and Attendance of the Meeting:

During the financial year, 4(Four) meetings were held on 27th May 2022, 9th August 2022, 14th November 2022 and 13th February 2023.

Name of Members	Status		Attendance at the Meeting held on				Meetings attended/ Total No. Meetings held during the year	Mode of Meeting
	Category	Designation	27th May 2022	9th August 2022	14th November 2022	13th February 2023		
Mr. Suresh J. Patel	MD & CEO	Chairman	√	√	LoA	√		“VC”
Mr. Ankit S. Patel	ED	Member	√	√	√	√	4/4	“VC”
Mr. Sunil K Mehta	ID	Member	√	√	√	Retired w.e.f. 13th December 2022	3/4	“VC”
Mr. Rohit B Maloo	ID	Member	Appointed w.e.f. 12th December 2022			√	1/4	“VC”

ID - Independent Director; MD & CEO - Managing Director & Chief Executive Officer; ED – Executive Director

In line with the amended Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company revised its CSR Policy and Charter of the CSR Committee during the year under review. The same is displayed on the website of the Company at www.bodal.com

The annual report on CSR activities undertaken by the Company during the year under review, along with the amount spent forms part of the Board’s Report as an Annexure. All details related to CSR initiatives of the Company are displayed on the Company’s website at www.bodal.com

The Committee meets as and when required. The Committee inter alia devises/recommends to the Board, a CSR policy which indicates activities, projects or programmes, to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013.

REPORT ON CORPORATE GOVERNANCE (CONTD.)

Risk Management Committee:

The Risk Management Committee Consists of the following Directors and Senior Management of the Company:

Name of the Director	Designation in the Committee	Nature of Directorship
Mr. Suresh J Patel	Chairman	Chairman and Managing Director
Mr. Ankit S. Patel	Member	Executive Director
Mr. Rajarshi Gosh	Member	Director-Health, Safety and Environment (HSE)
Mr. Rohit B Maloo	Member	Independent Director
Mr. Mayur B. Padhya	Member	Employee-CFO of the Company
Mr. Bansi M Patel	Member	President-Employee

The Committee had formulated a Risk Management Policy for dealing with different kinds of risks which it faces in day-today operations of the Company. Risk Management Policy of the Company outlines different kinds of risks and risk mitigating measures to be adopted by the Board. The Company has adequate internal control systems and procedures to combat risks.

Brief description of terms of reference of the Committee, inter alia, includes the following:

1. To formulate a detailed risk management policy which shall include:
 - A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee
 - Measures for risk mitigation including systems and processes for internal control of identified risks.
 - Business continuity plan.
2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
3. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
4. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
5. To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
6. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors

REPORT ON CORPORATE GOVERNANCE (CONTD.)

During the year, 2 (Two) meetings were held on 18th September 2022 and 16th March 2023. Attendance of Risk Management Committee as below:

Name of Members	Status		Attendance at the Meeting held on		No. of Meeting attended/Total Number of Meeting held
	Category	Designation	18th September 2022	16th March 2023	
Mr. Suresh J Patel	Chairman-MD	Chairman	√	√	2/2
Mr. Ankit S Patel	ED	Member	√	√	2/2
Mr. Sunil K Mehta	ID	Member	√	Retired w.e.f. 13th December 2022	1/2
Mr. Rajarshi Ghosh	D-HSE	Member	√	√	2/2
Mr. Mayur B Padhya	CFO	Member	√	√	2/2
Mr. Bansil M Patel	President	Member	√	√	2/2
Mr. Rohit B Maloo	ID	Member	Appointed w.e.f. 12th December 2022	√	1/2

Business Responsibility & Sustainability Report:

The Business Responsibility and Sustainability Report (BRSR) of your Company for the year ended 31st March 2023 forms part of this Annual Report as required under Regulation 34(2)(f) of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 as Annexure

OTHER POLICIES MANDATED UNDER SEBI (LODR) REGULATIONS, 2015

❖ Archival Policy

In Compliance with Regulation 30(8) of SEBI (LODR) Regulations, 2015, the Company discloses on its website all such events, information which has been disclosed to the Stock Exchange(s) under Regulations 30. Such disclosures shall be posted on website of the Company for minimum five years and there after determine further action as per the archival policy of the Company.

❖ Policy for preservation of Documents

In Compliance with Regulation 9 of SEBI (LODR) Regulations, 2015, The Board of Directors has adopted policy on preservation of Documents.

❖ Policy for Determining Materiality of Events

In Compliance with Regulations 30 of SEBI (LODR) Regulations, 2015, the Board of Directors has adopted a policy on Determining Materiality of Events or Information. The objective of this policy is to ensure timely and adequate disclosure of events or information.

❖ Policy for Determining Material Subsidiaries

In compliance with requirement of Clause 49(V)(D) of the Listing Agreement. The Board of Directors adopted a policy on Determining Material Subsidiaries. This Policy is intended to ensure the governance of the Company's Material Subsidiaries.

❖ Whistle Blower Policy

The Company encourages an open door policy (called Whistle Blower Policy) where employees have access to the Head of the business /function. In terms of Company's Code of Conduct, any instance of non adherence to the code

REPORT ON CORPORATE GOVERNANCE (CONTD.)

/ any other observed unethical behavior are to be brought to the attention of the immediate reporting authority, who is required to report the same to the Compliance Officer of the Company or in exceptional circumstances to the Chairman of the Audit Committee.

❖ **Policy on Board Diversity**

The Company recognises and embraces the benefit of having a diverse Board of Directors and views increasing diversity at the Board level as an essential element in maintaining competitive advantage in the Business in which it operates.

❖ **Policy and procedures for inquiry in case of leak of Unpublished Price Sensitive Information**

In compliance with requirement of regulation 9A (5) of SEBI (Prohibition of Insider Trading) Regulations, 2015 The Board of Directors adopted a policy and procedure for Inquiry in case of leak of Unpublished Price Sensitive Information.

❖ **The Dividend Distribution Policy:**

Company has adopted the Dividend Distribution Policy in accordance with Regulation 43A of SEBI (Listing Obligation and Disclosure Requirement) Regulations 2015 ("Listing Regulations") to determine the distribution of dividends on equity shares of the Company.

❖ **Statutory Auditor's remuneration:**

Disclosures of total fees for all services paid by the Company and its subsidiaries, on consolidated basis, to the Statutory Auditor and all entities in the network firm/ network entity of which the statutory auditor as required by the provisions of SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015 is ₹ 2 million.

GENERAL BODY MEETINGS:

Details of the last three years Annual General Meetings (AGM) or Extra Ordinary General Meetings (EGM) are as under:

YEAR	DATE	TIME	VENUE
FY 2019-20 AGM	20th August 2020	12.00 P.M	Through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM")
FY 2020-21 AGM	24th September 2021	12.00 P.M.	Through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM")
FY 2021-22 AGM	26th September 2022	11.00 A.M.	Through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM")

No extraordinary general meeting of the members was held during FY 2021-22.

Details of the Special Resolution Passed at the previous three Annual General Meeting

Sr. No.	Date of AGM	Details of Special Resolutions Passed
1	20th August 2020	To re-appoint Mr. Suresh J Patel, Chairman and Managing Director of the Company To appoint Mr. Rajarshi Ghosh as a Director-HSE of the Company
2	24th September 2021	Re-Appointment of Mr. Nalin Kumar as a Independent Director of the Company for second term for period of five years : Re-Appointment of Mrs. Neha Huddar as a Independent Director of the Company for second term for period of five years :
3	26th September 2022	No Special Resolution was passed

REPORT ON CORPORATE GOVERNANCE (CONTD.)

The special resolutions indicated above were passed by Remote E Voting and Voting at the time of Meetings.

Further, During the year, following resolution was passed as special resolution through Postal Ballot on 24th January 2023.

Sr. No.	Resolution	Through Postal Ballot
1	Special Resolution	To Appoint Mr. Rohit Maloo as an Independent Director of the Company for period of five years
2	Special Resolution	Alteration of the Objects Clause of the Memorandum of Association of the Company
3	Special Resolution	To re-appoint Mr. Suresh J. Patel as a Chairman and Managing Director of the Company
4	Special Resolution	To re-appoint Mr. Bhavin S. Patel as an Executive Director of the Company

The Board of Directors had appointed Mr. Tapan Shah, a Practising Company Secretary (Membership No. FCS: 4476; CP No: 2839), as Scrutinizer for conducting the Postal Ballot, through e-voting process, in a fair and transparent manner.

Further, all the Resolutions were passed by the Shareholders with requisite majority by means of postal ballot and deemed to be passed on 24th January 2023, being the last date of voting (E-voting).

The Voting result along with the Scrutinizer's Report are displayed on the Company's notice Board and also on the website of the Company www.bodal.com. The results were also communicated to the Stock Exchanges viz. BSE Ltd. and National Stock Exchange of India Ltd., where the Shares of the Company are listed as required under the provisions of the Listing Regulations.

Scheme of Amalgamation of S P S Processors Pvt Ltd, a Subsidiary Company of Bodal Chemicals Ltd with the Bodal Chemicals Ltd.

During the year Under review, a Scheme of Amalgamation of S P S Processors Pvt. Ltd. (subsidiary) with the Company (the "Scheme") has been approved by the Board of Directors of the Company at their meeting held on 29th October 2021, with effect from appointed date of 1st April 2021. In-principle approval and No-Objection certificate has been received from the BSE, NSE. After receipt of No-Objection certificate and in-principle approval from Stock Exchanges the Scheme has been filled with National Company Law Tribunal and order for direction of Meetings of Creditors and Shareholders has been received from NCLT Bench Ahmedabad dated 6th June 2022.

Further, Pursuant to NCLT order below are the meetings Scheduled and held of Secured, Unsecured and Equity Shareholders of the Company.

Meetings of	Date of Meeting	Timing of Meeting	Venue of Meeting
Secured Creditors	21st July 2022	11.00 AM	The ATMA Auditorium, Opp. Old Reserve Bank of India Building, Ashram Road, Ahmedabad 380 009 in the state of Gujarat.
Unsecured Creditors	21st July 2022	12.00 Noon	
Equity Shareholder	21st July 2022	01.00 PM	

Further, above said meetings were held as per direction by issued by NCLT Ahmedabad Bench vide order dated 6th June 2021.

Further. Scheme of Amalgamation of S P S Processors Pvt. Ltd. (Subsidiary of the Company) with Bodal Chemicals Ltd. ("the Company") sanctioned by the Hon'ble National Company Law Tribunal, Ahmedabad Bench on 2nd November 2022 (effective from 9th November 2022), the Board of Directors of the Company by passing resolution has allotted 29,70,700 equity shares of the Company to the shareholders of S P S Processors Pvt. Ltd. (other than the Company) viz. Mr. Vijayant Mittal, Ms. Sonica Jain and Mr. Avinash Kumar Jain on 12th December 2022.

Furthermore, pursuant to regulation 30 of SEBI (LODR) regulation, 2015, Company has intimated all events in relation to Scheme of Amalgamation to Stock Exchanges (BSE and NSE) and the same has also Uploaded on the website of the Company, www.bodal.com.

REPORT ON CORPORATE GOVERNANCE (CONTD.)

Details of Holding/Subsidiary/Associates Companies:

Name of the Company	CIN	Holding/Subsidiary/ Associate	% of Share Held	Applicable Section
S P S Processors Pvt Ltd	S P S Processors Pvt Ltd was amalgamated with Bodal Chemicals Ltd.			
Bodal Chemicals Trading Pvt Ltd	U51597GJ2018PTC105513	Wholly Owned Subsidiary	100%	2(87)
Bodal Chemicals trading Shijiazhuang Ltd-China	-----	Foreign Wholly Owned Subsidiary	100%	2(87)
Sener Boya Kimya Tekstil Sanayi Ve Ticaret Anonim Sirketi	-----	Foreign Subsidiary	100%	2(87)
Bodal Bangla Ltd.	-----	Foreign Wholly Owned Subsidiary	100%	2(87)
Senpa Dis Ticaret Anonim Sirketi	-----	Step down subsidiary (wholly owned subsidiary of Sener Boya Kimya Tekstil Sanayi Ve Ticaret Anonim Sirketi – Subsidiary of Bodal Chemicals Ltd)	----	-----
Plutoeco Enviro Association	U85300GJ2020NPL117736	Associate	25%	2(87)
PT Bodal Chemicals Indonesia	-----	Wholly Owned Subsidiary	100%	2(87)

Regulation 16 of the Listing Regulations defines a ‘material subsidiary’ as subsidiary, whose income or net worth exceeds 10% of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year. Under this definition, the Company does not have any unlisted material subsidiary incorporated in India or Out of India.

The subsidiaries of the Company function independently with an adequately empowered Board of Directors and sufficient resources. For more effective governance, the minutes of Board Meetings of subsidiaries are placed before the Board of the Company for its review on a quarterly basis and a statement of all significant transactions and arrangements entered into by the unlisted subsidiary companies are also placed before the Board.

Pursuant to the explanation under Regulation 16(1)(c) of the Listing Regulations, the Company has formulated a policy for determining material subsidiaries which is disclosed on the Company’s website at www.bodal.com

The Company has complied with other requirements under Regulation 24 of the Listing Regulations with regard to the subsidiary companies.

11. Means of Communication

OTHER COMPLIANCES:

RELATED PARTY TRANSACTIONS

- All related party transactions that were entered into during FY 2022-23 were on arm’s length basis, in the ordinary course of business and were in compliance with the applicable provisions of the Act and the SEBI Listing Regulations. There were no material significant related party transactions entered into by the Company with Promoters, Directors, KMPs or other designated persons which may have a potential conflict with the interest of the Company at large. The Company has revised the Related Party Transactions Policy in accordance with the Act and SEBI Listing Regulations and the same is uploaded on the Company’s website at www.bodal.com

For details, about related parties transactions see Note No. 38 of Notes on Accounts of Balance Sheet of the Company.

REPORT ON CORPORATE GOVERNANCE (CONTD.)

Statutory Compliance, Penalties and Strictures-

The Company has complied with the requirements of the Stock Exchanges, SEBI and Statutory Authority on all matters related to capital markets. During the year, Company Received SEBI Order, Under Section 15-I of the SEBI Act, 1992 read with Rules 5 of the SEBI (Procedure for Holding Inquiry and Imposing penalties) Rules, 1995, in the matter of M/s. Bhageria Industries Ltd, Bodal is a Connected Party and for that through SEBI order dated 31st March 2023, penalty of ₹ 7 Lacs was levied, which was paid by the Company as on 10th May 2023. However, no Direct case/matter has been initiated against the Bodal.

Details of utilisation of funds raised through preferential allotment or qualified institutional Placement Compliance by the Company

The Company has not raised any funds through preferential allotment or qualified institutional placement during the year under review.

Loans and advances in the nature of loans to firms / companies in which Directors are interested

The Company has not given any loans or advances to any firm / company in which its Directors are interested.

Acceptance of recommendations of Committees by the Board of Directors

In terms of the SEBI Listing Regulations, there have been no instances during the year under review, when the recommendations of any of the Committees were not accepted by the Board.

- In preparation of the financial statements, the Company has followed the Accounting Standards issued by ICAI. The significant accounting policies which are consistently applied have been set out in the Notes to the Accounts.

CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

As required by the provisions of SEBI (PIT) Regulations, 2015, the Company has adopted a Code of Conduct for prevention of Insider Trading. Company Secretary of the Company is the Compliance Officer. The Code of Conduct is applicable to all Directors and such identified employees of the Company as well as who are expected to have access to unpublished price sensitive information relating to the Company.

SHAREHOLDERS' INFORMATION

1	Registered Office	Plot No. 123 & 124, Phase-I, G.I.D.C., Vatva, Ahmedabad-382 445
	Corporate Office	Bodal Corporate House, Near Anand Niketan school, Beside Maple green residency, Nr. Shilaj Circle, Off. S. P ring Road, Thaltej, Ahmedabad-380059
2	Annual General Meeting Date, Time and Venue	28th September 2023 (Thursday) through Video conferencing (VC) or Other Audio Visual Means (OAVM)
3	Financial Year	FY 2022-23 (consisting of 12 months) 1st April 2022 to 31st March 2023
4	Date of Book Closure	23rd September 2023 to 28th September 2023 (Both days inclusive)
5	Listing on Stock Exchange	BSE LTD Bombay Stock Exchange Ltd. (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001
		National Stock Exchange of India Ltd. (NSE) Exchange Plaza, Plot No. C/1, G Block Bandra-Kurla Complex Bandra (E), Mumbai 400 051

REPORT ON CORPORATE GOVERNANCE (CONTD.)

6	Stock Codes	BSE Scrip Code: 524370
		NSE Scrip Code: BODALCHEM
		Demat ISIN: INE338D01028
		CIN: L24110GJ1986PLC009003
7	Types of Security	Equity Shares of the Company
	No. of paid up shares	12,56,23,465 equity shares of ₹ 2/- each fully paid as on 31st March 2023.
	Market lot of shares	1 Equity Share
8	Registrar & Share Transfer Agent	M/s. Link Intime India Pvt Ltd. Mumbai: C 101, 247 Park, L.B.S.Marg, Vikhroli (West), Mumbai – 400 083.
		Ahmedabad Branch: 5th Floor, 506 TO 508, Amarnath Business Centre – 1, Beside Gala Business Centre, Nr. St. Xavier’s College Corner, Off C G Road, Ellishbridge, Ahmedabad – 380 006 ahmedabad@linkintime.co.in Tel.: 079-26465179/87 Fax: 079-26465179
9	Compliance Officer / Company Secretary	Mr. Ashutosh B. Bhatt Plot No. 123 & 124, Phase-I, G.I.D.C., Vatva, Ahmedabad-382 445 Phone No: 079 68160100, 25835437 Fax No: 079 2583 4223, 2583 5437
10	Depository System	Currently 99.64 % of the Company share capital is held in dematerialised form. For any assistance in converting physical shares in electronic form, investor may approach Link Intime India Pvt Ltd or Mr. Ashutosh B. Bhatt, Company Secretary & Compliance officer
11	Bank details for Electronic Shareholding	Members are requested to notify their Depository Participant (DP) about the changes in bank details. Members are requested to furnish complete details of their bank account, including the MICR codes of their bank.
12	Furnish copies of Permanent Account Number (PAN)	The members are requested to furnish their PAN which will help us to strengthen compliance with KYC norms and provisions of prevention of Money Laundering Act, 2002
13	Investor complaint to be addressed to	Link Intime India Pvt Ltd or Mr. Ashutosh B. Bhatt, Company Secretary & Compliance officer
14	E-mail ID of Grievance Redressal Division	secretarial@bodal.com
15	Payment of Listing Fees	Annual listing fee for the financial year 2023-24 has been paid by the Company to BSE & NSE
16	Payment of Depository Fees	Annual Custody / Issuer fee for the Financial Year 2023-24 has been paid by the Company to CDSL & NSDL.
17	Outstanding Warrants GDRs/ADRs, and Convertible Bonds, Conversion date and likely impact on equity	Not Applicable

REPORT ON CORPORATE GOVERNANCE (CONTD.)

18	Plant Locations	<p>Unit-I Plot No. 110, Phase-II, G.I.D.C., Vatva, Ahmedabad-382 445.</p> <p>Unit-II Plot No. 123&124 & C-1-B/111-114, Phase-I, G.I.D.C., Vatva, Ahmedabad-382 445.</p> <p>Unit-III Plot No. 2102, Phase-III, G.I.D.C., Vatva, Ahmedabad-382 445.</p> <p>Unit-IV Plot No. 252,253 & C-1/254, Phase-II, G.I.D.C., Vatva, Ahmedabad-382 445</p> <p>Unit-V Plot No. 301 to 430 + 433 to 440/1, Juned-Bhersam Estate, Saykha GIDC, Taluka: Vagra, Dist.: Bharuch, Gujarat</p> <p>Unit-VI A-2 UPSIDC Industrial Area, Kosi, Kotwan, Kosi Kalan., Dist. Mathura - 281403. Uttar Pradesh.</p> <p>Unit VII Block No. 804, Village- Dudhwada, Ta. Padra, Dist. Vadodara, Gujarat.</p> <p>Unit VIII Block No.106, 108, Village: Ekalbara, Ta. Padra, Dist. Vadodara, Gujarat.</p> <p>Unit IX Block No. 598/A, Village: Piludra, Ta. Jambusar, Dist. Baruch, Gujarat.</p> <p>Unit X Plot No: 525, Village: Dudhwada, Ta: Padra, Dist: Vadodara, Gujarat</p> <p>UNIT- XI Survey No. 382 Located at Moje-Neja, Khambhat- Vataman Road, Ta.-Khambhat, Dist.- Anand, Gujarat</p> <p>UNIT XII Charatrampur, Vill. Khadauli/Sardargarh, P.B.No. 52, P.O. Rajpura, Distt. Patiala, Punjab</p>
19	Nomination Facility	<p>It is in the interest of the shareholders to appoint nominee for their investments in the Company. Those members who are holding shares in physical mode and has not appointed nominee or want to change the nomination, are requested to send us nomination form duly filled in and signed by all the joint holders.</p>
20	Change in Shareholders details / Investors Communication	<p>In case you are holding your shares in dematerialised form (e.g. in electronic mode), communication regarding change in address, bank account details, change in nomination, dematerialisation of your share certificates or other inquiries should be addressed to your DP where you have opened your Demat Account, quoting your client ID number. In case of physical holding of shares, any communication for change of any details should be addressed to our R&T agent M/s. Link Intime India Pvt Ltd., at address mentioned below.</p> <p>Mumbai Office: C 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400 083.</p> <p>Ahmedabad Branch: 5th Floor, 506 TO 508, Amarnath Business Centre – 1, Beside Gala Business Centre, Nr. St. Xavier’s College Corner, Off C G Road, Navrangpura, Ahmedabad – 380 009 ahmedabad@linkintime.co.in 079 - 2646 5179</p>
21	Physical Transfer of Shares	<p>The SEBI issued Circulars to mandating transfer of securities only in electronic form effective 1st April 2019.</p>

REPORT ON CORPORATE GOVERNANCE (CONTD.)

22	List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year	Ratings for FY 2021-22	Ratings for FY 2022-23
		India Ratings	India Ratings
	Long Term Bank Facilities	IND A+/Negative	IND A+/Negative
	Short Term Bank Facilities	IND A+/Negative /IND A1+	IND A+/Negative /IND A1+

Share Transfer System:

Company has appointed M/s. Link Intime India Pvt. Ltd. for dealing in with the Shares of the Company in physical and electronic mode, the process of transfers of shares will be completed by them at earliest, subject to the documents being valid and complete in all aspects.

Results were announced During FY 2022-23 (1st April 2022 to 31st March 2023)

Sr. No.	Particulars	Date of Meeting
1	Unaudited Quarterly Results for the Quarter ended on 30th June 2022	9th August 2022
2	Unaudited Quarterly Results for the Quarter ended on 30th September 2022	14th November 2022
3	Unaudited Quarterly Results for the Quarter ended on 31st December 2022	14th February 2023
4	Audited Financial Results for the financial year ended 31st March 2023	30th May 2023

Results will be announced during FY 2023-24 (1st April 2023 to 31st March 2024): (Tentative)

Sr. No.	Particulars	Date of Meeting
1	Unaudited Quarterly Results for the Quarter ended on 30th June 2023	Second week of August, 2023
2	Unaudited Quarterly Results for the Quarter ended on 30th September 2023	Last week of October, 2023
3	Unaudited Quarterly Results for the Quarter ended on 31st December 2023	Last week of January, 2024
4	Audited Financial Results for the financial year ended 31st March 2024	Last week of May, 2024

Stock Data: Monthly equity share price data on BSE and NSE for the financial year 2022-23 are as under.

BSE:

Month	High Price	Low Price	Close Price	Volume (Lacs)
Apr-22	119.70	101.85	110.30	13.82
May-22	113.95	90.00	94.90	11.70
Jun-22	102.95	76.00	84.50	6.35
Jul-22	95.90	80.65	92.85	3.43
Aug-22	98.00	87.00	93.05	5.77
Sep-22	104.90	83.40	86.10	10.83
Oct-22	89.45	78.50	80.95	4.43
Nov-22	84.40	77.05	80.55	5.14
Dec-22	85.25	72.50	78.80	5.26
Jan-23	81.00	70.10	71.10	2.80
Feb-23	73.20	60.90	62.65	3.82
Mar-23	67.65	55.00	57.74	8.01

(Source from BSE Website)

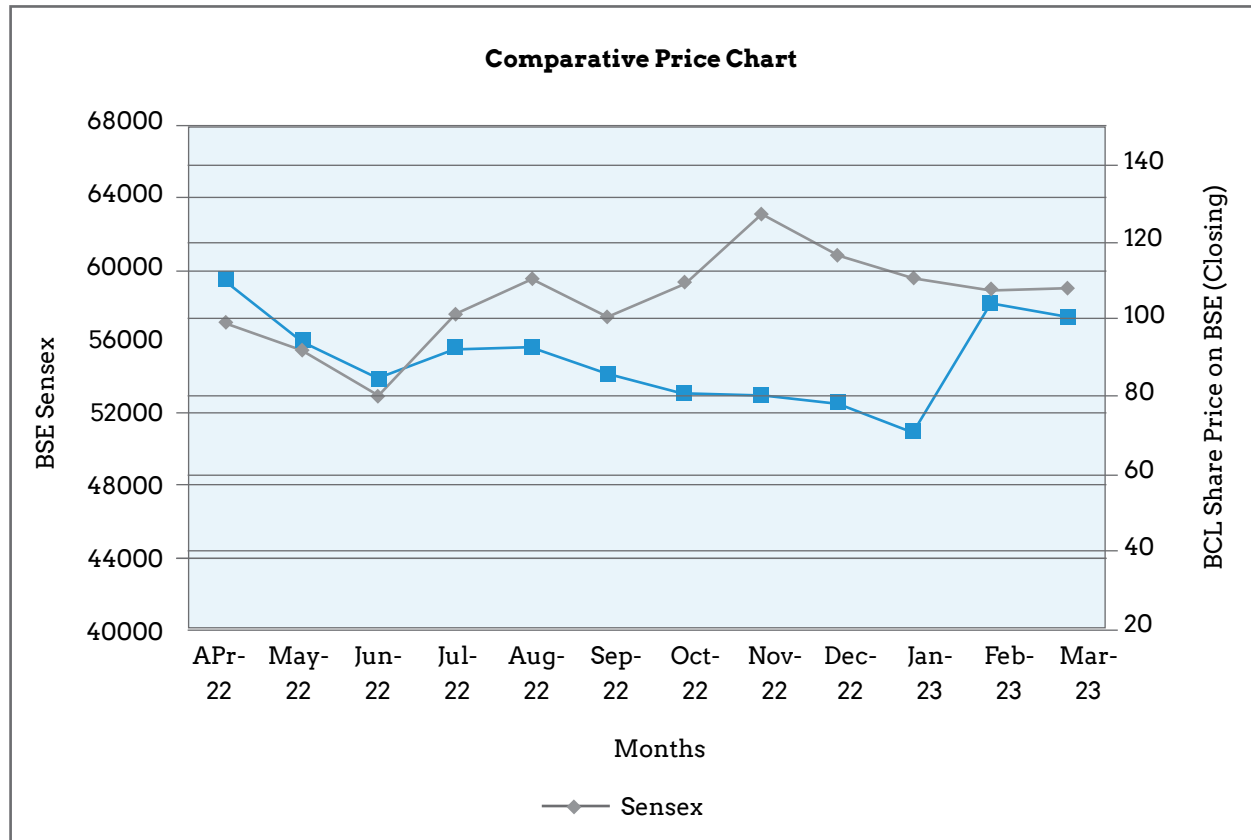
REPORT ON CORPORATE GOVERNANCE (CONTD.)

NSE:

Month	High Price	Low Price	Close Price	Volume (Lacs)
Apr-22	119.85	101.85	110.20	106.65
May-22	114.00	90.00	95.05	81.31
Jun-22	103.00	76.00	84.40	63.88
Jul-22	96.00	78.80	92.80	45.59
Aug-22	98.00	86.55	93.05	60.24
Sep-22	104.95	83.85	86.20	121.12
Oct-22	88.55	78.10	80.85	41.09
Nov-22	83.50	77.05	80.65	46.09
Dec-22	85.40	72.55	78.90	66.31
Jan-23	80.70	70.00	71.10	24.85
Feb-23	73.30	60.85	62.45	37.77
Mar-23	67.70	54.95	57.70	56.98

(Source from NSE Website)

Comparison of Bodal Chemical's share price with S&P BSE SENSEX



REPORT ON CORPORATE GOVERNANCE (CONTD.)

Shares held in physical and dematerialised form

Equity Shares

Dematerialisation of Shares and liquidity: Company's Paid-up capital has been dematerialised up to 31st March 2023 as per the following details. The Company's Equity Shares are actively traded shares on the Indian Stock Exchanges.

FY 2021—22	FY 2022-23		FY 2021—22	
	No. of Shares	% of share capital of the Company	No. of Shares	% of share capital of the Company
Electronic form with NSDL	7,04,31,052	56.07	6,83,08,782	55.77
Electronic form with CDSL	5,47,28,908	43.57	5,35,89,109	43.75
Physical Form	4,63,505	0.37	5,83,774	0.48
Total	12,56,23,465	100	12,23,30,165	100

Note: Equity shares of the Company are listed on Bombay Stock Exchange Ltd. and National Stock Exchange of India Ltd. Investors can exercise dematerialisation through a recognised Depository Participant (DP) who is connected to NSDL or CDSL.

Those shareholders whose shares are held in physical form are requested to dematerialise the same at the earliest in their own interest. Thus, Investors can exercise dematerialisation through a recognised Depository Participant (DP) who is connected to NSDL or CDSL. The DEMAT security code (ISIN) for the equity shares of ₹ 2/- each is **INE – 338 D 01028**.

Bank Mandate for Dividend

As per SEBI Guidelines, it is mandatory for the companies to print bank account details of the shareholders on dividend warrants. Those members who have still not furnished their bank account details, are requested to furnish the same immediately either to their DP or to the Registrar of the Company.

Unclaimed Dividends to be transferred to the Investor Education and Protection Fund

The dividend for the following years remaining unclaimed for 7 years from the date of declaration are required to be transferred by the Company to Investor Education and Protection Fund and the various dates for transfer of such amount are as under:

Sr. No.	Financial Year	Date of Declaration	Due for Transfer on
1.	FY 2015-16(Interim)*	12th August 2015	19th September 2022
2.	FY 2015-16(2nd Interim)*	10th March 2016	17th April 2023
3.	FY 2016-17(Interim)	3rd August 2016	8th September 2023
4.	FY 2016-17 (Final)	23rd September 2017	28th October 2024
5.	FY 2017-18 (Final)	17th September 2018	22nd October 2025
6.	FY 2018-19 (Final)	20th September 2019	25th October 2026
7.	FY 2019-20(Interim)	12th February 2020	19th March 2027
8.	FY 2020-21 (Final)	24th September 2021	29th October 2028
9.	FY 2021-22 (Final)	26th September 2022	31st October 2029

Note: * Dividend related to FY 2015-16, has been already transferred to IEPF.

REPORT ON CORPORATE GOVERNANCE (CONTD.)

Members who have not encashed their Dividend Warrants or those who have not received the Dividend Warrants so far, are requested to seek issuance of duplicate Dividend Warrants. Otherwise, all above said unclaimed dividend to be transferred to Investor Education and Protection Fund on above said Due Dates. Further, Shareholders are requested to send cancelled Cheque to duplicate dividend warrant claims.

Further, pursuant to Section 124(6) of the Companies Act, 2013, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Shares on which dividend has not been encashed for last 7 years have to be transferred to suspense account open by IEPF Authority.

Further, The Company has uploaded complete details of such Shares which were already transferred to DEMAT Account of IEPF Authority on its website: www.bodal.com.

Furthermore, Shareholders may claim back the shares which were already credited along with the unclaimed dividend amount from IEPF Authority after following the procedures prescribed under IEPF Rules. The procedures for claiming the same is available at www.mca.gov.in and www.iepf.gov.in.

- During the year, Company has been transferred 85364 No. of Shares to the IEPF Authority Account for unclaimed and encashed Dividend for 7 years from the date of Declared of Dividend by the Company for FY 2015-16 (1st Interim Dividend).

Distribution of Shareholding as on 31st March 2023

DISTRIBUTION OF SHAREHOLDING (SHARES)							
SR. NO.	SHAREHOLDING OF SHARES			SHAREHOLDER	PERCENTAGE OF TOTAL	TOTALSHARES	PERCENTAGE OF TOTAL.
1	1	to	500	55207	83.3766	7299215	5.8104
2	501	to	1000	5515	8.3291	4467700	3.5564
3	1001	to	2000	2658	4.0143	4075887	3.2445
4	2001	to	3000	1024	1.5465	2628948	2.0927
5	3001	to	4000	459	0.6932	1662718	1.3236
6	4001	to	5000	393	0.5935	1861864	1.4821
7	5001	to	10000	530	0.8004	3861242	3.0737
8	10001	to	*****	428	0.6464	99765891	79.4166
Total				66214	100	125623465	100

REPORT ON CORPORATE GOVERNANCE (CONTD.)

Pattern of / Category of Shareholding of the Company As on 31st March 2023

Category	No of Shares	% of Share holding
Promoter & Promoter Group	7,21,95,662	57.47
Alternate Investment Funds	1,57,200	0.13
Banks	11,000	0.01
NBFCs registered with RBI	33000	0.03
Foreign Portfolio Investors Category I	30,46,946	2.43
State Government / Governor	7525	0.01
Investor Education and Protection Fund (IEPF)	7,68,480	0.61
Resident Individuals holding nominal share capital up to ₹ 2 Lacs	2,97,08,059	23.65
Resident Individuals holding nominal share capital in excess of ₹ 2 Lacs	72,69,556	5.79
Non-Resident Indians (NRIs)	11,44,897	0.91
Bodies Corporate	21,17,730	1.69
Clearing Members	58,332	0.05
HUF	22,08,953	1.76
LLP	68,96,125	5.49
Total	12,56,23,465	100.00

Means of Communication

Effective communication of information is an essential component of Corporate Governance. It is a process of sharing information, ideas, thoughts, opinions and plans with all stakeholders which promotes management – shareholder relations. The Company regularly interacts with shareholders through multiple channels of communication such as results announcement, annual reports, media/press releases, Earning Presentations, Investor Presentations and Company's website and through green initiatives.

- Stock Exchange Intimations

All submissions to the Stock Exchanges are made through the respective electronic filing systems. All unpublished price sensitive information, material events or information as detailed in Regulation 30 of the SEBI Listing Regulations are disseminated to the Stock Exchanges by filing them with the National Stock Exchange of India Ltd. ('NSE') through NEAPS / NSE Digital portal and with BSE Ltd. ('BSE') through BSE Online Portal.

- Financial Results

During the year, quarterly, half-yearly and annual financial results of the Company were submitted to the stock exchanges immediately after the conclusion of the Board meetings and Committee meetings were also

published in newspapers as per regulation of 47 of SEBI (LODR) Regulations, 2015

- Analyst/Investor Meets

Investor/Earning Presentations, Press release and Earning/Con Call Transcript and Recordings of Con Call of the Company are available at the website of the Company:- www.bodal.com

Company's Website

The Company's website is in line with the requirements laid down under Regulation 46 of the SEBI Listing Regulations. It is a comprehensive reference of the Company's Management, vision, mission, policies, corporate governance, corporate sustainability, disclosures to investors, updates and news. The section on 'Investors' serves to inform the Members by furnishing complete financial details, annual reports, shareholding patterns, presentations made to institutional investors and analysts, corporate actions, information relating to stock exchange intimations, Company policies, RTA, etc. The website also has details of press releases, awards and campaigns.

The Company has also uploaded the names of the Members and the details of the unclaimed dividend by the Members on its website.

All the above details can be accessed from the website of the Company – www.bodal.com

REPORT ON CORPORATE GOVERNANCE (CONTD.)

CEO AND CFO CERTIFICATION

The Chairman & Managing Director and the Chief Financial Officer of the Company give annual Compliance Certificate in accordance with Regulation 17(8) read with Part B of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 / Clause 49 of Listing Agreement with the Stock Exchange(s). The annual Compliance Certificate given by Chairman & Managing Director and the Chief Financial Officer is published in the Annual Report.

Secretarial Audit:

- Pursuant to Regulation 40(9) of the Listing Regulations, certificates have been issued, on a half-yearly basis, by a Company Secretary in practice, certifying due compliance of share transfer formalities by the Company.
- A Company Secretary in practice carries out a quarterly Reconciliation of Share Capital Audit, to reconcile the total admitted capital with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) and the total issued and listed capital. The audit confirms that the total issued/paid-up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialised form (held with NSDL and CDSL).
- Pursuant to Regulation 24A of the SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015 and amend thereon, Mr. Tapan Shah, Company Secretary in practice has issued Secretarial Compliance report for the FY 2022-23 and Company has same filed to BSE (Bombay Stock Exchange) and National Stock Exchange of India (NSE).
- Mr. Tapan Shah, a Company Secretary in practice has conducted a Secretarial Audit of the Company for FY 2022-23. Their Audit Report confirms that the Company has complied with the applicable provisions of the Act and the Rules made there under, its Memorandum and Articles of Association, Listing Regulations and the applicable SEBI Regulations. The Secretarial Audit Report forms part of the Boards Report as Annexure..

Certificate from Practising Company Secretary

Mr. Tapan Shah, Practising Company Secretaries, has issued a certificate confirming 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.

In accordance with the SEBI Circular dated 8th February 2019, the Company has obtained an Annual Secretarial Compliance Report from Mr. Tapan Shah, Practising Company Secretaries confirming compliances with all applicable SEBI Regulations, Circulars and Guidelines for the year ended 31st March 2023.

Compliance with Code of Conduct

In accordance with Regulation 17(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015/Clause 49 of Listing Agreement with the Stock Exchange(s), the Board Members and senior management personnel of the Company have confirmed compliance with the Code of Conduct for the financial year ended 31st March 2023.

Mandatory Requirements

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

Non-Mandatory Requirements

The Company has complied with the following non-mandatory requirements of the Listing Regulations relating to Corporate Governance. The status of compliance with the non-mandatory requirements listed in Regulation 27(1) read with Part E of Schedule II of the Listing Regulations

is as under:

- During the year under review, there was no audit qualification in the Company's financial statements. The Company continues to adopt best practices to ensure regime of unmodified audit opinion.
- The Company follows a Effective process of communicating with the shareholders which has been elaborated in the Report under the Heading "Means of Communication"
- The Internal Auditors reports to the Audit Committee.

Confirmation by the Board of Directors' acceptance of recommendations of Committees:

In terms of the amendments made to the Listing Regulations, the Board of Directors confirms that during the year, it has accepted all recommendations received from all its Committees.

REPORT ON CORPORATE GOVERNANCE (CONTD.)

Important weblinks for Corporate Information / Policies:

Sr. No.	Particulars	Weblink
1	Bodal Code of Conduct	https://www.bodal.com/files/titlepdf1630902060_6135972c15f41.pdf
2	Code of Conduct for its Non-Executive Directors	https://www.bodal.com/files/titlepdf1630902007_613596f78cad4.pdf
3	Detailed profiles of the Directors	https://www.bodal.com/files/titlepdf1673071076_63b909e48a83a.pdf
4	Terms & Conditions of Independent Directors	https://www.bodal.com/files/titlepdf1664542342_6336e686be30d.pdf
5	Familiarisation programmes	https://www.bodal.com/files/titlepdf1664542486_6336e716641b7.pdf
6	Code of Corporate Disclosure practice and Policy of determination of Legitimate Purpose	https://www.bodal.com/files/titlepdf1630902083_61359743f240c.pdf
7	Remuneration Policy	https://www.bodal.com/files/titlepdf1652445493_627e513513498.pdf
8	Related Party Transactions Policy	https://www.bodal.com/files/titlepdf1652445557_627e51758c1c1.pdf
9	Policy on Archival	https://www.bodal.com/files/titlepdf1631788477_61431dbd4fbde.pdf
10	Policy on Preservation of Documents	https://www.bodal.com/files/titlepdf1631788671_61431e7f05776.pdf
11	Policy on Determination of Materiality for Disclosures of Events or Information	https://www.bodal.com/files/titlepdf1631788627_61431e537beea.pdf
12	Dividend Distribution Policy	https://www.bodal.com/files/titlepdf1652445603_627e51a3a88a1.pdf
13	Whistleblower Policy and Vigil Mechanism	https://www.bodal.com/files/titlepdf1689150717_64ae64fd03df3.pdf
14	Details of unclaimed dividends	https://www.bodal.com/company-announcements.php
15	Details of Transfer of shares to IEPF	https://www.bodal.com/company-announcements.php
16	Quarterly / Half yearly / Annual Results	https://www.bodal.com/financials.php
17	Policy on Corporate Social Responsibility	https://www.bodal.com/files/titlepdf1689150996_64ae66144a55c.pdf
18	Policy for determining material subsidiaries	https://www.bodal.com/files/titlepdf1631788627_61431e537beea.pdf
19	Stock Exchange Intimations	https://www.bodal.com/company-announcements.php
20	Investor Service Request Forms	https://www.bodal.com/company-announcements.php
21	Policy and procedures for inquiry in case of leak of Unpublished Price Sensitive Information	https://www.bodal.com/files/titlepdf1689150876_64ae659c4fe20.pdf
22	Policy on Board Diversity	https://www.bodal.com/files/titlepdf1631788901_61431f65d3d1f.pdf

ANNEXURE

CERTIFICATE BY THE CEO & CFO OF THE COMPANY

We, Suresh J. Patel, Chief Executive Officer and Mayur B. Padhya, Chief Financial Officer of Bodal Chemicals Ltd., to the best of our knowledge and belief certify that;

1. We have reviewed the Balance Sheet, Profit & Loss Account, its schedule and notes to accounts and cash flow statement for the year ended **31st March 2023** and that to the best of our knowledge and belief:
 - (a) these statements do not contain any materially untrue statement or omit any material facts or contain statements that might be misleading;
 - (b) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. We also certify, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the Auditors and the Audit Committee :-
 - (a) significant changes in internal control over financial reporting during the year ;
 - (b) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements ; and
 - (c) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Suresh J. Patel
Chief Executive Officer
Chairman & Managing Director
DIN : 00007400

Mayur B. Padhya
Chief Financial Officer

Date: 30th May 2023

ANNEXURE

DECLARATION BY THE MANAGING DIRECTOR

I, Suresh J. Patel, Chairman & Managing Director of Bodal Chemicals Ltd, hereby declare that all the Members of Board of Directors and the senior management personnel have affirmed compliance with the Code of Conduct, applicable to them as laid down by the Board of Directors in terms of Regulations 26(3) of SEBI (LODR) Regulations, 2015.

Date: 30th May 2023

Place: Ahmedabad

Suresh J. Patel

Chief Executive Officer,
Chairman & Managing Director
(DIN: 00007400)

ANNEXURE

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

Registration No.: L24110GJ1986PLC009003

Nominal Capital: Rs.711500000/-

To,
The Members of
BODAL CHEMICALS LIMITED
Plot No. 123-124, Phase-1,
GIDC, Vatva, Ahmedabad – 382 445

I have examined the compliance of conditions of corporate governance by **BODAL CHEMICALS LTD**, for the year ended on March 31, 2023 as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, amended from time to time, pursuant to the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. My examination was limited to procedures and implementation thereof, adopted by the Company, for ensuring the compliance of the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me and the representations made by the Directors and the Management, I certify that the Company has complied with the mandatory conditions as stipulated in abovementioned Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, pursuant to the Listing Agreement of the said Company with stock exchanges.

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

This certificate is issued solely for the purposes of complying with the aforesaid Regulations and may not be suitable for any other purpose.

Place: Ahmedabad
Date : 30/05/2023

Signature:
Name of Company Secretary : **TAPAN SHAH**
Membership No. : **FCS4476**
C P No. : **2839**
UDIN : **F004476E000371095**
PR No.: **673/2020**

ANNEXURE

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members of
BODAL CHEMICALS LIMITED
CIN :L24110GJ1986PLC009003
PLOT NO 123 AND 124, PHASE -1, GIDC VATVA,
AHMEDABAD - 382445

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **BODAL CHEMICALS LIMITED**, having **CIN L24110GJ1986PLC009003** and having registered office at Plot No 123 and 124 Phase -1, GIDC, Vatva, Ahmedabad 382445 (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, amended from time to time.

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 for the financial year ending on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Sureshbhai Jayantibhai Patel	00007400	*01/06/2005
2.	Bhavin Suresh Patel	00030464	*01/06/2005
3.	Ankit Sureshbhai Patel	02173231	24/05/2008
4.	Neha Sunil Huddar	00092245	10/05/2017
5.	Rohit Bhoorchand Maloo	09806284	12/12/2022
6.	Nalin Kumar	03060741	13/02/2017
7.	Rajarshi Ghosh	08715159	27/05/2020
8.	Mayank Kulinchandra Mehta	03554733	09/02/2021

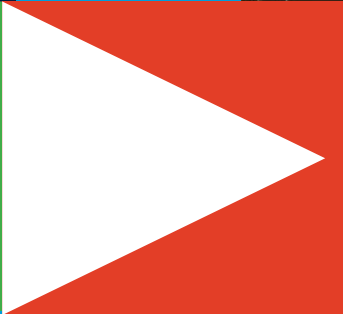
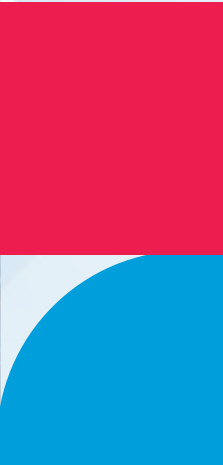
* based on Form No. 32 filed by the Company

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 the 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.

Signature:
Name: Tapan Shah
Membership No.: FCS4476
CP No.: 2839
UDIN : F004476E000371062
PR No.: 673/2020

Place: Ahmedabad
Date : 30/05/2023

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT



SECTION A GENERAL DISCLOSURES

I. DETAILS OF THE LISTED ENTITY

1	Corporate identity number (CIN) of the listed entity	>	L24110GJ1986PLC009003
2	Name of the listed entity	>	BODAL CHEMICALS LIMITED
3	Year of incorporation	>	1986
4	Registered office address	>	Plot No 123-124, Phase-I, GIDC, Vatva, Ahmedabad-382445, Gujarat
5	Corporate address	>	Corporate House, Besides Maple Green Residency, Thaltej-Shilaj Road, Off. S. P. Ring Road, Thaltej, Ahmedabad-380059, Gujarat
6	E-mail	>	secretarial@bodal.com
7	Telephone	>	+919909950856, 07968160100
8	Website	>	https://www.bodal.com/
9	Financial year for which reporting is being done	>	FY 2022-23
10	Name of the Stock Exchange(s) where shares are listed	>	1. BSE Ltd. 2. National Stock Exchange of India Ltd.
11	Paid-up capital	>	₹ 25,12,46,930.00
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	>	Mr. Bhavin S Patel Executive Director 07968160100 secretarial@bodal.com
13	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	>	Standalone basis

II. PRODUCTS/SERVICES

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

Chemicals manufacturing Description of main activity	Manufacturing and sales of chemicals Description of business activity	100% % of turnover of the entity
--	---	--

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

Product/service	NIC Code	% of total turnover contributed
Caustic soda	2019	19%
Vinyl sulphone	2019	13%
H acid	2019	5%
Others	2019	63%

III. OPERATIONS

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

NATIONAL	Number of plants 12	Number of offices 2	Total 14
	Number of plants 0	Number of offices 0	Total 0
INTERNATIONAL			

17. Markets served by the entity:

a. Number of locations

Number - PAN INDIA

Locations - National (No. of states)

Number - 33 Countries

Locations - International (No. of countries)

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

~30%

c. A brief on types of customers -

Bodal serves a wide variety of industrial customers across sectors, including textiles, leather, paper, dye intermediates, dyestuffs, agrochemicals, alumina, detergents, food, and pharmaceuticals, among others. The Company's diversified customer base spans key industries in India and abroad.

IV. EMPLOYEES

18. Details as at the end of financial year:

a. Employees and workers (including differently abled):

Sr. no.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
EMPLOYEES						
1.	Permanent (D)	1,918	1,882	98.12	36	1.88
2.	Other than permanent (E)	NIL	NIL	N.A.	NIL	N.A.
3.	Total employees (D + E)	1,918	1,882	98.12	36	1.88
WORKERS						
4.	Permanent (F)	158	158	100.00		
5.	Other than permanent (G)	1,446	1,446	100.00	NIL	N.A.
6.	Total workers (F + G)	1,604	1,604	100.00		

b. Differently abled employees and workers:

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

19. Participation/inclusion/representation of women

	Total (A)	No. and percentage of females	
		No. (B)	% (B/A)
Board of Directors	8	1	12.50
Key Management Personnel	2	0	0

20. Turnover rate for permanent employees and workers

(Disclose trends for the past 3 years)

	FY 2022-23 (Turnover rate in current FY)			FY 2021-22 (Turnover rate in previous FY)			FY 2020-21 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent employees	7.92	25.00	8.24	10.66	10.26	10.65	8.29	12.50	8.35
Permanent workers	7.59	NIL	7.59	10.83	NIL	10.83	NIL	NIL	NIL

V. HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES (INCLUDING JOINT VENTURES)

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

S. no.	Name of the holding/subsidiary/associate companies/joint ventures (A)	Indicate whether holding/subsidiary/associate/joint venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the business responsibility initiatives of the listed entity? (Yes/No)
1	Bodal Chemicals Trading Pvt. Ltd.	Wholly-owned subsidiary	100	No
2	Bodal Chemicals Trading (Shijiazhuang) Co., Ltd.	Wholly-owned subsidiary	100	No
3	Sener Boya Kimya Tekstil Sanayi Ve Ticaret Anonim Sirketi	Wholly-owned subsidiary	100	No
4	Bodal Bangla Ltd	Wholly-owned subsidiary	100	No
5	Bodal Indonesia PT	Wholly-owned subsidiary	100	No
6	Senpa Dis Ticaret Anonim Sirketi	Step down subsidiary	-	No
7	Plutoeco Enviro Association	Associate company	25	No

VI. CSR DETAILS

22.

Yes

(i)

Whether CSR is applicable as per section 135 of Companies Act, 2013:

₹ 15,551.22 million

(ii)

Turnover (in ₹):

₹ 10,695.74 million

(iii)

Net worth (in ₹):

VII. TRANSPARENCY AND DISCLOSURES COMPLIANCES

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

Stakeholder group from whom complaint is received	Grievance redressal mechanism in place (Yes/No) (If yes, then provide web-link for grievance redress policy)	FY 2022-2023 (Current financial year)			FY 2021-2022 (Previous financial year)		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
 Communities	No. However, a mechanism is in place to interact with community leaders to understand and address their concerns, if any.	NIL	N.A.	N.A.	NIL	N.A.	N.A.
 Shareholders	Yes. The same can be reviewed on the following weblink- https://scores.gov.in/scores/welcome.html	1	1	N.A.	NIL	N.A.	N.A.
 Employees and workers	Yes. The same can be reviewed on the following weblink- https://www.bodal.com/files/titlepdf1689150717_64ae64fd03df3.pdf	NIL	N.A.	N.A.	NIL	N.A.	N.A.
 Customers	No	NIL	N.A.	N.A.	NIL	N.A.	N.A.
 Value chain partners	No	NIL	N.A.	N.A.	NIL	N.A.	N.A.
 Other (please specify)				N.A.			

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


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






Risk



Opportunity

Sr. no.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
	Environmental impacts		Many dyes and dye intermediates use toxic raw materials and generate hazardous waste. Responsible disposal, treatment, and minimising the environmental footprint through greener chemistry are crucial.	<ul style="list-style-type: none"> • Adopt sustainable production practices • Optimise resource utilisation • Implement cleaner technologies • Manage waste and emissions effectively • Encourage eco-friendly innovations • Enhance environmental monitoring and reporting • Invest in renewable energy sources 	Negative
	Product safety		Ensuring dyes and dye intermediates meet regulatory safety standards for human health and ecological impacts is critical for market access. Toxicological testing and data are important.	<ul style="list-style-type: none"> • Enhance product testing and quality control • Implement rigorous safety standards • Provide clear product usage guidelines • Offer comprehensive labelling and information • Conduct regular safety audits • Engage in continuous improvement through customer feedback 	Positive

Sr. no.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
	Supply chain traceability		With complex global supply chains, tracing sources of raw materials and ensuring responsible and ethical sourcing is challenging but increasingly important. Lack of traceability could compromise the ability to monitor and control raw materials and processes, potentially leading to product defects or safety issues.	<ul style="list-style-type: none"> • Implement traceability systems • Require suppliers to disclose sources • Regularly audit suppliers • Collaborate with ethical suppliers 	Negative
	Resource use		Dyes and dye intermediates require significant amounts of water, energy, and raw materials. Efficiency, recycling, and circular approaches to reduce resource use are necessary for a sustainable approach.	<ul style="list-style-type: none"> • Adopt resource-efficient processes • Invest in energy-efficient technologies • Conduct life cycle assessments • Engage employees in resource conservation • Explore circular economy initiatives 	Negative
	Product quality and consistency		Meeting customer specifications for colour, fastness, strength, and uniformity is essential for dyes and pigments. Quality control is crucial. Poor product quality could result in product recalls, lawsuits, and liability claims, leading to substantial financial losses and damage to the Company's reputation.	<ul style="list-style-type: none"> • Implement rigorous quality control measures • Invest in advanced testing equipment • Train employees in quality assurance • Develop standardised processes • Conduct regular product testing • Establish customer feedback mechanisms 	Positive

Sr. no.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
	Regulatory compliance		Evolving environmental regulations like REACH, VOC rules, and chemical management guidelines, require ongoing monitoring and compliance management. Embracing compliance can drive innovation and process efficiency, leading to cost savings, increased productivity, and a competitive advantage in the industry.	<ul style="list-style-type: none"> Stay informed about relevant regulations Conduct regular audits Engage legal experts for guidance Maintain accurate records and documentation Implement corrective actions promptly Foster a culture of compliance awareness 	Positive
	Talent and R&D		Attracting and retaining specialised chemists to develop innovative dyes, pigments, and manufacturing processes is key to competitiveness.	<ul style="list-style-type: none"> Invest in employee training and development Foster a culture of innovation Allocate resources for research and development Encourage collaboration of teams 	Positive
	Stakeholder concerns		Managing concerns from NGOs, communities, and consumers about potential health and ecological impacts require stakeholder engagement and transparency.	<ul style="list-style-type: none"> Establish regular communication and feedback channels Implement sustainable practices based on input Collaborate with NGOs and local communities 	Positive

SECTION B MANAGEMENT AND PROCESS DISCLOSURES

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

Sr. no	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	https://www.bodal.com/files/titlepdf1686219333_6481aa45ed91f.pdf								
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)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4	Name of the national and international codes/certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	<ol style="list-style-type: none"> 1. Global Organic Textile Standards (GOTS) 2. BlueSign System partner 3. ISO 9001 4. ISO 45001 								
5	Specific commitments, goals and targets set by the entity with defined timelines, if any.	Bodal has established time bound ESG goals spanning climate action, resource conservation, workplace safety, diversity & inclusion, and governance, among others. The Company is committed to reducing emissions as per science-based targets and improving energy, water, and waste efficiency. It aims to further embed sustainability through goals on renewable energy, recycled material usage, community investment, and ethical conduct. Bodal's vision demonstrates the priority placed on environmental, social, and governance performance.								
6	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Bodal has made steady progress on specific ESG commitments and targets spanning climate action, resource conservation, ethical conduct and more. The Company has made progress around improving energy efficiency across operations, reducing scope 1 emissions through process improvements, and increasing waste management. It is committed to accelerating efforts and investments to meet further goals in the next financial year through dedicated focus and collaboration.								

Sr. Disclosure questions no **P1 P2 P3 P4 P5 P6 P7 P8 P9**

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):	
	<p>Bodal integrates environmental, social, and governance principles across operations to improve stakeholder quality of life. The Company adheres to product stewardship, enhancing health, safety, and minimising environmental impacts across product lifecycles. Key ESG focus areas of the Company are climate action via science-based targets, resource conservation of energy and water, and responsible waste management. Robust safety, health and environmental policies safeguard employees and communities. It provide ethical, fair, and safe working conditions, demonstrating its commitment to human rights.</p> <p>Bodal has faced ESG challenges, yet it has succeeded in reducing emissions, conserving water, and hitting other targets through its sustainability efforts. However, the ESG journey is far from over, as it has upcoming plans and initiatives. By integrating ESG into its business strategy and operations, Bodal aims to generate long-term value for its stakeholders in a responsible manner.</p>	
8	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Suresh J. Patel, Chairman and Managing Director (DIN: 00007400) under the guidance of the Board of Directors and its Committees, is responsible for the implementation and oversight of the Business Responsibility policies.
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.	<p>Yes</p> <p>Mr. Bhavin S. Patel Executive Director Contact Number: 070 68160100 Email: secretarial@bodal.com</p>

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)
Performance against above policies and follow up action	As a practice, Business Responsibility policies of the Company are reviewed periodically or on a need-based basis by Senior Leadership Team including Managing Director. During this assessment, the efficacy of the policies is reviewed and necessary changes to policies and procedures are implemented.	Periodically
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Bodal complies with all applicable regulations. A statutory compliance certificate affirming adherence to relevant laws is furnished to the Board of Directors by the Managing Director, Chief Financial Officer, and Company Secretary. This regular compliance reporting demonstrates the Company's commitment to responsible business conduct.	Regularly

Sr. Disclosure questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
no									
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	Bodal undertakes periodical reviews of its sustainability policies by Senior Management and the Board. These reviews help drive continuous improvement across policies, projects, and performance related to business responsibility and sustainability. By regularly revisiting policies, the Company ensures they evolve in line with emerging priorities.								

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

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)									
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)									N.A.
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorised as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.



PRINCIPLE - 1

Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

ESSENTIAL INDICATORS

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

Segment	Total no of training and awareness programmes held	Topics/principles covered under the training and impact	% age of persons in respective category covered by the awareness programme
Board of Directors	During the year, the Board of Directors of Bodal (including its Committees) has invested time in various updates. These updates cover matters relating to an array of issues pertaining to the business, regulations, economy, and environmental, social, and governance parameters.		100.00
Key Managerial Personnel	1	Code of Conduct	100.00
Employees other than BOD & KMPs	69	Health and safety measures	100.00
	09	Skill upgradation	73.25
Workers	25	Health and safety measures	100.00

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):

NGRBC principle	Name of the regulatory/enforcement/judicial institutions	Monetary		Brief of the case	Has an appeal been preferred? (Yes/No)
		Amount (in ₹)			
Penalty/fine	SEBI	₹ 7,00,000/-		As per Section 15-I of the SEBI Act, 1992, and Rule 5 of the SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995, Bodal was considered a connected party to M/s Bhageria Industries Ltd. Through a SEBI order dated 31st March 2023, a penalty of ₹ 7 Lacs was levied on Bodal and which was paid on 10th May 2023.	No
Settlement				However, no direct case or matter has been initiated against Bodal by SEBI. The Company has not been subject to any direct regulatory penalties or actions.	
Compounding fee				NIL	

		Non- monetary		
	NGRBC principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the case	Has an appeal been preferred? (Yes/No)
Imprisonment				
Punishment		NIL		

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

Case details	Name of the regulatory/enforcement agencies/judicial institutions
	NIL

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.

Bodal's business responsibility policy is rooted in core values of trust, respect, responsibility, fairness, and care, and it has a zero tolerance approach towards corruption and bribery. The Company is committed to professional, fair, and ethical conduct in all business dealings and relationships globally.

Bodal engages with supply chain partners who adhere to laws and regulations governing labour practices, human rights, anti-bribery, occupational health & safety, and the environment. By selecting suppliers that meet these high compliance standards, the Company aims to extend its culture of integrity throughout its value chain.

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 2022-23 (Current financial year)	FY 2021-22 (Previous financial year)
Directors		
KMPs		
Employees		NIL
Workers		

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 2022-23 (Current financial year)	FY 2021-22 (Previous financial year)
Number of complaints received in relation to issues of Conflict of Interest of the Directors	NIL	NIL
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	NIL	NIL

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.

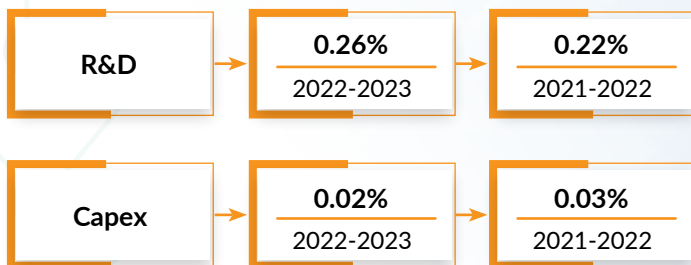
Not applicable

PRINCIPLE - 2

Businesses should provide goods and services in a manner that is sustainable and safe

ESSENTIAL INDICATORS

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



Details of improvements in environmental and social impacts

Bodal integrates sustainable design into its upgrades and process improvements to strategically minimise effluent and waste generation from the beginning.

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?

In recent years, Bodal has transitioned from importing most materials from China to sourcing about 90% locally in Gujarat, building a robust local supply chain. This has cut Bodal's carbon footprint by reducing transportation needs, economically empowered the community, and enabled closer oversight to ensure suppliers follow ethical, eco-conscious practices.

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)** - Bodal has registered under the Extended Producer Responsibility programme for managing plastic waste generated from operations and packaging. The Company aims to maximise the reuse and recycling of plastic waste, reducing the quantities requiring disposal. For instance, plastic bags and containers received from raw material suppliers are returned for reuse, avoiding the need for new bags and saving resources. Additionally, used bags are leveraged for solid waste packing to extend their lifecycle. Such initiatives showcase Bodal's commitment to responsible plastic waste
- b. **Hazardous waste** - Bodal continuously works to minimise hazardous waste generation over time. Rather than landfill disposal, solid hazardous waste is increasingly sent to authorised actual users, promoting a circular economy. For example, chemical gypsum is sent to cement units for co-processing, and spent acids are reused or sent to legitimate downstream users. Such initiatives showcase the Company's commitment to responsible hazardous waste management.
- c. **E-waste:** E-waste from Bodal is safely collected onsite and then transported to authorised facilities specialising in recycling and responsible disposal, minimising environmental impact.

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

Bodal has registered under the Extended Producer Responsibility (EPR) programme for plastic waste, demonstrating its commitment to managing plastic packaging in an environmentally responsible way.

PRINCIPLE - 3

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

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	1,882	161	8.55	127	6.75	NIL	N.A.				
Female	36	NIL	N.A.	NIL	N.A.	36	100.00	NIL	N.A.	NIL	N.A.
Total	1,918	161	8.39	127	6.62	36	1.88				
Other than permanent employees											
Male											
Female							N.A.				
Total											

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	158	50	31.64	158	100.00						
Female	NIL	NIL	N.A.	NIL	N.A.	NIL	N.A.	NIL	N.A.	NIL	N.A.
Total	158	50	31.64	158	100.00						
Other than permanent workers											
Male	1,446										
Female	0	NIL	N.A.	NIL	N.A.	NIL	N.A.	NIL	N.A.	NIL	N.A.
Total	1,446										

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

Benefits	FY 2022-23 (Current financial year)			FY 2021-22 (Previous financial year)		
	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	85.66	81.98	Y	87.21	87.10	Y
Gratuity	100	100	Y	100	100	Y
ESI	50.10	95.45	Y	47.59	87.91	Y
Others – please specify	N.A.					

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.

Bodal ensures workplace accessibility for differently abled employees through ramps, elevators, wheelchair facilities, and accessible washroom stalls in most places. The Company's inclusive infrastructure upholds equal opportunity and dignity.

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.

Bodal provides equal employment opportunities to all employees and applicants regardless of race, caste, religion, colour, marital status, gender, sexual orientation, age, nationality, ancestry, disability, or any other protected status. The Company believes in treating everyone fairly and does not tolerate any unlawful discrimination when hiring or making workplace rules.

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				
Female	NIL	NIL	NIL	NIL
Total				

Note: During the reporting period, no employee or worker had taken parental leaves.

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

Other than permanent workers

Permanent workers

Yes/No (If yes, then give details of the mechanism in brief)

Yes. Any concerns received through email, letter, or other means are logged and reviewed by the ombudsperson for validity. Complaints that require further inquiry are assigned to an internal or external investigator. The investigator gathers information, analyses data, and documents observations and recommendations in an investigation report. The ombudsperson reviews this report and may refer serious matters, along with proposed actions, to the Audit Committee. For extremely serious cases, the Audit Committee can further escalate to the Board with recommendations. The Board then decides on appropriate measures. By having robust protocols and escalation procedures, concerns can be addressed at the appropriate levels through an unbiased investigation.

Permanent employees

Other than permanent employees

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

Category	FY 2022-23 (Current financial year)			FY 2021-22 (Previous financial year)		
	Total employees/ workers in respective category	No. of employees/ workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees/ workers in respective category	No. of employees/ workers in respective category, who are part of association(s) or Union(D)	% (D/C)
Total permanent employees	1,918			1,868		
Male	1,882	NIL	N.A.	1,829	NIL	N.A.
Female	36			39		
Total permanent workers	158	68	43.04	157	70	44.59
Male	158	68	43.04	157	70	44.59
Female			N.A.			

8. Details of training given to employees and workers:

Category	FY 2022-23 (Current financial year)					FY 2021-22 (Previous financial year)				
	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	1,882	1,882	100.00	1,381	73.38	1,829	1,829	100.00	1,271	69.49
Female	36	36	100.00	24	66.66	39	39	100.00	31	79.49
Total	1,918	1,918	100.00	1,405	73.25	1,868	1,868	100.00	1,302	69.70
Workers										
Male	1,604	1,604	100.00	NIL	N.A.	1,117	1,117	100.00	NIL	N.A.
Female			N.A.					N.A.		
Total	1,604	1,604	100.00	NIL	N.A.	1,117	1,117	100.00	NIL	N.A.

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

Category	FY 2022-2023			FY 2021-22		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Permanent employees						
Male	1,882	85	4.52	1,829	1,829	100.00
Female	36	4	11.11	39	39	100.00
Total	1,918	89	4.64	1,868	1,868	100.00
Permanent workers						
Male	158	148	93.67	157	157	100.00
Female	NIL	NIL	N.A.	NIL	NIL	N.A.
Total	158	148	93.67	157	157	100.00

10. Health and safety management system:

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

Yes, Bodal has implemented a safety & health management system spanning all manufacturing locations, offices, R&D labs, and supply chain partners. This enables the Company to protect the environment, health, and safety of employees, contractors, visitors, and other relevant stakeholders across its operations and ecosystem.

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

Bodal has structured hazard assessment and risk management processes that consider both routine and non-routine activities. Cross-functional teams identify hazards through tools like Hazard Identification & Risk Assessment (HIRA) and SOPs before starting any work. Identified risks are addressed per a hierarchy of controls approach. Technical process risks are evaluated case-by-case. Employees and contractors are encouraged to report unsafe conditions, which are acted on swiftly. Formal risk assessment training is completed to build competency. By taking a proactive and comprehensive approach to hazard ID and risk assessment for all activities, the Company aims to mitigate safety incidents and protect the well-being of the workforce.

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

Yes. Bodal encourages employees to promptly report hazardous incidents. Upon receiving reports, a response team visits the location and takes appropriate actions to reduce risks. Analysing the reported incidents, valuable insights are distributed throughout the organisation to prevent similar occurrences. The Company's commitment to hazard reporting and action contributes to fostering a culture focussed on safety.

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

Yes, all eligible employees are covered under the ESI scheme and the Company has taken suitable insurance for employees who are not covered under ESI.

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

Safety incident/number	Category	FY 2022-23 (Current financial year)	FY 2021-22 (Previous financial year)
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.20	0
	Workers	0.39	0.26
Total recordable work-related injuries	Employees	2	0
	Workers	3	2
No. of fatalities	Employees	0	0
	Workers	0	1
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	1
	Workers	0	0

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

Bodal implements world-class safety, health, and environment (SHE) practices through continuous improvement efforts inspired by industry leaders. The Company’s Board-level SHE and Sustainability Committee, chaired by a Director, oversees policies and activities for regulatory compliance.

At each site, the integrated Corporate SHE Policy, aligned with Bodal’s safety policy, sustainability goals, and local regulations, is embraced, prioritising stakeholder well-being. Voluntary standards like process safety and risk management, ISO 45001, responsible care and British Safety Council guidelines, drive further progress. The Company’s top-down safety culture involves senior management instilling core values that guide daily operations. Employees receive specialised training to safely tackle potential hazards, while tailored medical checkups identify health risks, with adequate onsite facilities and external healthcare tie-ups.

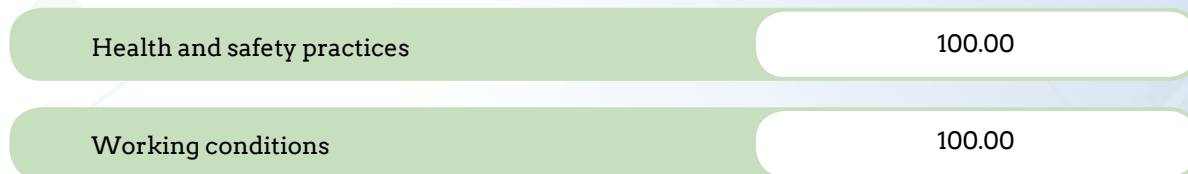
Bodal sets lead and lag measurement targets using past performance, regulations, stakeholder needs, and industry best practices for zero harm journey. Data analysis through trends, root causes, and benchmarking guides improvement. The Company’s Board reviews the Positive Assurance Matrix tracking SHE, Fire, and Electrical Safety. The Progressive Safety Index, with 11 lead indicators across five elements, determines safety progress versus organisational and legislative requirements with frameworks like ISO 45001.

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

	FY 2022-23 (Current financial year)			FY 2021-22 (Previous financial year)		
	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						
Health & safety	NIL		N.A.	NIL		N.A.

14. Assessments for the year:

% of your plants and offices that were assessed (by entity or statutory authorities or third parties)



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.

Bodal has robust procedures in place to investigate, analyse, and mitigate any safety incidents or concerns at its sites. Cross-functional teams conduct thorough investigations to identify root causes and implement preventive actions to avoid recurrence. Learnings are actively shared across the organisation. Senior management oversees and monitors the progress of action plans stemming from these investigations.

Bodal employs various proactive steps to minimise workplace accident risks, including regular reviews of policies/procedures, inspections, training, defined safety roles, providing PPEs, observations, project lifecycle considerations, asset management, emergency preparedness, and risk-based incident prevention. By continuously assessing health, safety practices and working conditions, Bodal is able to identify and mitigate any areas of concern or risk. By adopting a comprehensive incident response strategy and proactive risk management approach, the Company fosters a mature safety culture focussed on the well-being of its employees and stakeholders.

PRINCIPLE - 4

Businesses should respect the interests of and be responsive to all its stakeholders.

ESSENTIAL INDICATORS

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

Bodal identifies and maintains regular engagement with key internal and external stakeholders like employees, shareholders, communities, customers, suppliers, vendors, and banking partners. Given their direct influence on ongoing operations and business objectives, transparent communication serves as a platform to address mutual concerns and achieve unified strategies for the Company's sustainable progression.

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

Stakeholder group	Whether identified as vulnerable & marginalised Group (Yes/No)	Channels of communication (Email, SMS, newspaper, pamphlets, advertisement, community meetings, notice board, website), other	Frequency of engagement (annually/ half yearly/ quarterly/ others - please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders	No	Annual General Meeting, shareholder meets, email, Stock Exchange (SE) intimations, investor/ analysts meet /conference calls, annual report, quarterly results, media releases, Company/SE website	Need-based and quarterly calls	<ul style="list-style-type: none"> Facilitating shareholders to raise concerns about company policies and strategy Informing and educating the investor community Assessing shareholder expectations and feedback
Employees and workers	No	Senior leaders' communication/talk/ forum, briefing, goal setting and review meetings, exit interviews, union meetings, wellness initiatives, engagement survey, email, intranet, flat screens, websites, circulars.	Ongoing	<ul style="list-style-type: none"> Professional development through career growth, training programmes, and learning opportunities Performance incentives including rewards and recognition Safe and healthy work environment along with supportive company policies Fair grievance redressal processes Employee-friendly and engaging work policies

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
Customers	No	Website, distributor/retailer/direct customer meets, senior leader-customer meets/visits, customer plant visits, focus group discussion, trade body membership, complaints management, information on packaging, customer surveys	Ongoing	<ul style="list-style-type: none"> Gaining insight into client needs, industry dynamics, and business obstacles. Recognising opportunities to enhance products and services Evaluating investments and capabilities necessary to meet client demand Comprehending client data privacy and security requirements Leveraging knowledge of clients and industry landscape to identify areas for improvement, investments and capabilities to better serve clients, while ensuring data protection
Suppliers	No	Communication and partnership meet, plant visits, MoU and framework agreements, trade association meets/seminars, professional networks, contract management/ review, product workshops/ onsite presentations, satisfaction surveys	Ongoing	<ul style="list-style-type: none"> Consistent and reliable demand for products/services Financial stability and good creditworthiness Ethical practices and integrity Equitable business dealings Strong corporate governance

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
Government	No	Advocacy meetings with local/state/national Government and ministries	Frequent and need-based	<ul style="list-style-type: none"> Identify opportunities for sustainable growth Exchange thought leadership and insights on public and business matters Partner to develop solutions addressing social challenges Maintain compliance with all applicable laws, rules, and regulations
Banks	No	Email, letters, representation, and in person meeting (Visit at banks), among others	Frequent and need-based	<ul style="list-style-type: none"> Financial requirements and transactions
Communities	Yes	CSR directly or indirectly and meetings (of community/local authority/ location head/council), community visits and partnership with local charities, volunteerism	Ongoing	<ul style="list-style-type: none"> Minimising negative environmental impact Local employment CSR activities



PRINCIPLE - 5

Businesses should provide goods and services in a manner that is sustainable and safe

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 2022-23 (Current financial year)			FY 2021-22 (Previous financial year)		
	Total (A)	No. of employees/workers covered (B)	% (B/A)	Total (C)	No. of employees/workers covered (D)	% (D/C)
Employees						
Permanent	1,918	NIL	N.A.	1,868	NIL	N.A.
Other than permanent	NIL	NIL	N.A.	NIL	NIL	N.A.
Total Employees	1,918	NIL	N.A.	1,868	NIL	N.A.
Workers						
Permanent	158	NIL	N.A.	157	NIL	N.A.
Other than permanent	1,446	NIL	N.A.	960	NIL	N.A.
Total workers	1,604	NIL	N.A.	1,117	NIL	N.A.

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

Category	FY 2022-23 (Current financial year)					FY 2021-22 (Previous financial year)				
	Total (A)	Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent										
Male	1,882	981	52.13	901	47.87	1,829	933	51.01	896	48.99
Female	36	4	11.11	32	88.89	39	11	28.21	28	71.79
Other than permanent										
Male	N.A.				N.A.					
Female	N.A.				N.A.					

Category	FY 2022-23 (Current financial year)					FY 2021-22 (Previous financial year)				
	Total (A)	Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Workers										
Permanent										
Male	158	32	20.25	126	79.75	157	31	19.75	126	80.25
Female			N.A.					N.A.		
Other than permanent										
Male	1,446	1,446	100.00	NIL	N.A.	960	960	100.00	NIL	N.A.
Female			N.A.					N.A.		

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

	Male		Female	
	Number	Median remuneration/salary/wages of respective category (per annum)	Number	Median remuneration/salary/wages of respective category (per annum)
Board of Directors (BoD)*	4	₹ 1,08,00,000.00	0**	N.A.
Key Managerial Personnel #	2	₹ 39,40,002.00	0	N.A.
Employees other than BoD and KMP	1,876	₹ 2,69,994.00	36	₹ 3,41,574.00
Workers	158	₹ 2,81,832.00	0	N.A.

*Sitting fees paid to Independent Directors are not included in the calculation of the Median remuneration of BoDs.

** Women Director is an Independent Director.

In KMP, one Chairman and Managing Director and two Executive Directors are not covered, as they are covered under the Board of Directors.

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)

Bodal has put in place a robust governance mechanism, wherein location heads report to the CMD to address human rights grievances. This mechanism enables a transparent review and resolution process for addressing any concerns related to human rights.

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

Bodal has implemented a multi-step grievance redressal mechanism to investigate any human rights concerns raised by stakeholders. Upon receiving a complaint through email, letter, or other means, it is recorded and evaluated. Valid complaints that require further investigation are handled by an authorised ombudsman. This individual gathers information, conducts data analysis, and documents observations and recommendations. A thorough, unbiased investigation is conducted before findings are submitted, and recommended actions are implemented, recorded, and reviewed by senior management and the Audit Committee for closure.

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

Category	FY 2022-23 (Current financial year)			FY 2021-22 (Previous financial year)		
	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						
Discrimination at workplace						
Child labour						
Forced labour/ involuntary labour		NIL	N.A.		NIL	N.A.
Wages						
Other human rights related issues						

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

Bodal ensures strict confidentiality through its robust Whistle-blower and Prevention of Sexual Harassment policies, enabling employees to come forward without fear and protecting reporter anonymity.

Moreover, the Company’s Code of Conduct reinforces this ethical conduct by prohibiting retaliation against legitimate concern reporting, imposing discipline for targeting whistle-blowers and promoting transparent ethics that align with the Company’s values.

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

Bodal not only actively recognises and respects human rights but also encourages its suppliers to adhere to applicable laws and uphold environmental, social, and governance (ESG) standards.

9. Assessments for the year:

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

10. Provide details of any corrective actions taken or underway to address significant risks/ concerns arising from the assessments at Question 9 above. Not required to carry out any audit







Not applicable

PRINCIPLE - 6

Businesses should respect and make efforts to protect and restore the environment.

ESSENTIAL INDICATORS

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

		FY 2022-23 (Current financial year)	FY 2021-22 (Previous financial year)
Total electricity consumption (A) (in GJ)		7,76,951.78	7,39,694.18
Total fuel consumption (B) (in GJ)		9,92,480.79	4,22,794.54
Energy consumption through other sources (C) (in GJ) Coal used in CPP		21,83,03.30	12,70,259.46
Total energy consumption (A+B+C) (in GJ)		19,87,735.82	24,32,748.18
Energy intensity per rupee of turnover (Total energy consumption in GJ/turnover in million rupees)		127.82	120.98
Energy intensity (optional) – the relevant metric may be selected by the entity		N.A.	N.A.

GJ: .Gigajoules

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

Yes. To meet regulatory requirements, the mandatory energy audit was conducted by M/s TMCC at Bodal's manufacturing Unit 12, located in the village of Khadauli/Sardargarh, Rajpura, Patiala district, Punjab.

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 2022-23 (Current financial year)	FY 2021-22 (Previous financial year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	NIL	NIL
(ii) Groundwater	6,99,533	9,94,478
(iii) Third party water (Canal water)	9,10,660	6,67,890
(iv) Seawater/desalinated water	NIL	NIL
(v) Others	NIL	NIL
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	16,10,193	16,62,368
Total volume of water consumption (in kilolitres)	16,10,193	16,62,368
Water intensity per rupee of turnover (Water consumed in KL/turnover in rupee million)	103.54	82.67
Water intensity (optional) – the relevant metric may be selected by the entity	N.A.	N.A.

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

Yes. An external agency, M/s Excel EHS Services, conducted an Environmental & Safety audit in December 2022 at Bodal's Rajpura unit per MSIHC rules. A water audit by Laghu Udhog Bharati, New Delhi, occurred at the Company's BCL-VII.

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

Yes, the Company has taken major steps to recycle and reuse wastewater at its facilities. Specifically, the Mathura, Padara, Khambhat and Punjab units have implemented Zero Liquid Discharge systems to achieve 100% wastewater recycling. At other facilities, the Company treats liquid effluent in-house and either supplies it to a common effluent treatment plant or discharges it in accordance with all procedures and regulations set by the Pollution Control Board.

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

Parameter	Please specify unit	FY 2022-23 (Current financial year)	FY 2021-22 (Previous financial year)
NO _x	Kg/Day	3.84	13.02
SO _x	Kg/Day	4.47	19.52
Particulate matter (PM)	Kg/Day	39.88	111
Persistent organic pollutants (POP)	N.A	NIL	NIL
Volatile organic compounds (VOC)	N.A.	NIL	NIL
Hazardous air pollutants (HAP)	Kg/Day	0.43	0.72
Others- please specify: Acid Mist	Kg/Day	0.02	0.02

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, Bodal conducts regular environmental monitoring across its operating units. Half-yearly ambient air, quarterly stack emission, and treated water analyses are carried out by external agencies for the Company's Punjab and Gujarat facilities. Testing is performed by accredited third parties, including Noida Testing Laboratories, EcoCare Solutions, and auditors allotted by the Gujarat Pollution Control Board.

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

Parameter	Unit	FY 22-23 (Current financial year)	FY 21-22 (Previous financial year)
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ if available)	Metric tonnes of CO ₂ equivalent	9,00,26,886.55	13,49,39,295.31
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ if available)	Metric tonnes of CO ₂ equivalent	1,76,972.35	1,68,485.90
Total Scope 1 and Scope 2 emissions per rupee of turnover	tCO _{2e} /million ₹ turnover	5,800.44	6,719.01
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		N.A.	

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. **No**

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

Yes.

Bodal operates a 1.73 MW power plant at its Dudhwada, Padara facility, which utilises steam generated as a by-product of sulfuric acid production. This allows the plant to reduce coal consumption by using available steam in its production processes. Additionally, the Company plans to commission another captive power plant at its Sayakha location. These initiatives exemplify Bodal's efforts to improve energy efficiency and minimise environmental impact through co-generation and by-product reuse.

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

Parameter	FY 2022-23 (Current financial year)	FY 2021-22 (Previous financial year)
Total waste generated (in metric tonnes)		
Plastic waste (A)	NIL	NIL
E-waste (B)	NIL	1.59
Bio-medical waste (C)	0.012	0.014
Construction and demolition waste (D)	NIL	NIL
Battery waste (E)	NIL	NIL
Radioactive waste (F)	NIL	NIL
Other hazardous waste. Please specify, if any. (G)	0.01	14.96
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	2,039.00	2,432.40
Gypsum sludge	17,246.64	34,738.712
Iron sludge	3,300.48	4,585.01
Spray drying ash	3,791.78	1,173.65
ETP sludge	5,253.74	5,931.40
Distillation residue	18.15	154.47
Discarded container	6.44	0
Process sludge	31.43	10.25
Total	31,688.68	49,042.46

Parameter	FY 2022-23 (Current financial year)	FY 2021-22 (Previous financial year)
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	18,842.04	21,818.62
(ii) Re-used	NIL	NIL
(iii) Other recovery operations Co-processing	20,741.42	40,731.28
Total	39,583.46	62,549.90
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	NIL	NIL
(ii) Landfilling	8,880.82	5,051.04
(iii) Other disposal operations	NIL	NIL
Total	8,880.82	5,051.04

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. **No**

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

Bodal ensures responsible waste management through recycling and safe disposal across locations as per Government regulations. The Company's chemical manufacturing inherently involves some hazardous materials. It maintains robust handling practices and complies with all applicable laws for the storage and use of hazardous chemicals.

Hazardous waste generated from wastewater treatment and air emission control facilities is collected, stored, and transported to authorised disposal facilities or co-processing units through the online manifest system. Bodal maximises the utilisation of liquid hazardous waste internally, sending any surplus to actual users as per Rule-9 protocols.

Bodal continuously improves its processes to reduce hazardous material consumption and waste generation through enhanced raw material conversion, learning from past experiences. For instance, the Company neutralises acidic effluent onsite using hydrated lime to produce gypsum for cement industry use, reducing effluent load. The aim is to improve resource efficiency and minimise waste.

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

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.
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▼

While Bodal's units are not near ecologically sensitive areas, it obtains all the necessary environmental approvals and clearances.

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

Name and brief details of Project	EIA notification no.	Date	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant web link
Not applicable					

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

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
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Yes. Bodal's units have secured valid consent to operate from the State Pollution Control Board, ensuring they meet and upgrade the requirements on an ongoing basis.

PRINCIPLE - 7

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

ESSENTIAL INDICATORS

1. a. **Number of affiliations with trade and industry chambers/associations - 7**
- b. **List the top 10 trade and industry chambers/associations the entity is a member of/affiliated to.**
– Membership fees ledger

Name of the trade and industry chambers/associations	Reach of trade and industry chambers/associations (State/National)
Gujarat Chamber of Commerce & Industry	State
Chemexcil	National
Gujarat Dyestuff Manufacturers Association	State
Dyestuff Manufacturers Association of India	National
Vatva Industrial Associaton	State
Alkali Manufacturers Association Of India (Amai)	National
Sayakha industries Association	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		

PRINCIPLE - 8

Businesses should promote inclusive growth and equitable development.

ESSENTIAL INDICATORS

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

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
Not applicable					

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

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 (in ₹)
Not applicable					

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

Bodal has implemented a formal community grievance process to receive and resolve concerns. Site-level committees with cross-functional teams investigate issues, conduct joint field visits, and address concerns appropriately and timely. All community concerns are logged and tracked through resolution. This robust system enables the Company maintain good connections with the local people by handling their problems promptly and in a way that makes them feel satisfied.

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

	FY 2022-23 (Current financial year)	FY 2021-22 (Previous financial year)
Directly sourced from MSMEs/small producers	5.85	2.70
Sourced directly from within the district and neighbouring districts	61.39	66.09

PRINCIPLE - 9

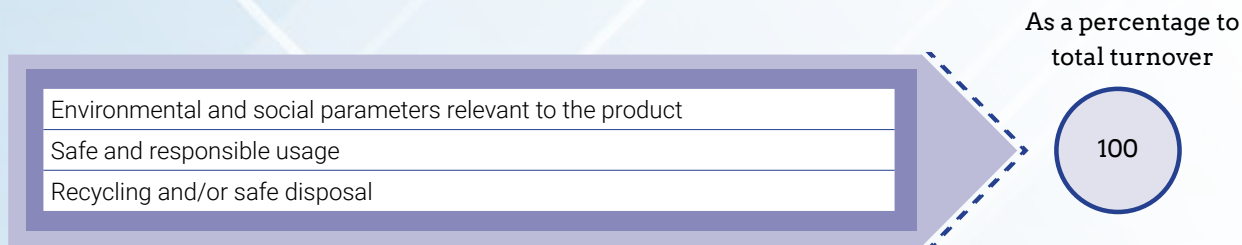
Businesses should engage with and provide value to their consumers in a responsible manner.

ESSENTIAL INDICATORS

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

Customers with complaints regarding Bodal's products can contact its marketing heads to initiate the complaint process. The marketing team will visit or ask for additional information from the customer to check the complaint. Based on the nature of the issue, the Company handles and resolves complaints within established timelines. It is committed to addressing customer concerns promptly and satisfactorily through this complaint management system.

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



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

	FY 2022-23 (Current financial year)		Remarks	FY 2021-22 (Previous financial year)		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy						
Advertising						
Cyber-security						
Delivery of essential services		Nil		Nil		
Restrictive trade practices						
Unfair trade practices						
Other						

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

	Number	Reasons for recall
Voluntary recalls		
Forced recalls	NIL	

12. Does the entity have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Bodal recognises the importance of maintaining robust cybersecurity policies and practices to safeguard data privacy. The Company strives to identify, monitor, and mitigate cyber risks and it also ensures compliance with relevant data privacy regulations.

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

During the reporting period, Bodal did not receive any complaints regarding advertising, delivery, cybersecurity, or data privacy. There were no instances of product recalls, and the Company did not face any fines, penalties, or regulatory actions related to the safety of its product or services.



MANAGEMENT DISCUSSION AND ANALYSIS

GLOBAL ECONOMY

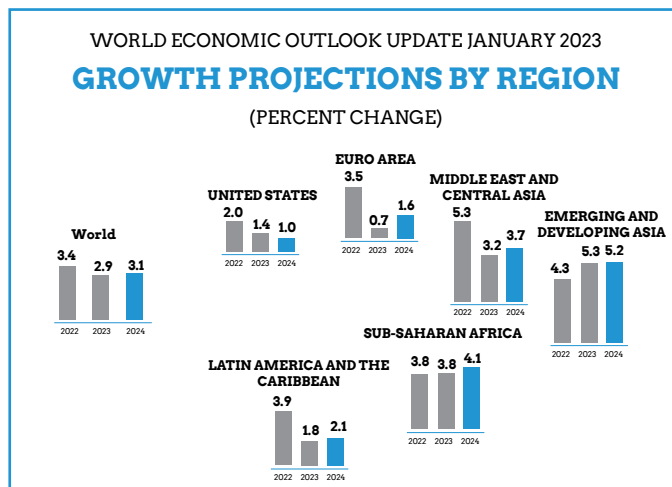
In CY 2022, the global economy showcased utmost resilience amid headwinds, primarily backed by the Governments' stance of implementing well-calibrated monetary policies. As a result, it leads to a gradual tempering of inflation from 8.7% in CY 2022 to 7% in CY 2023. Despite these persistent inflationary pressures, the global economy experienced a rapid rebound, instilling optimism about the future.

The International Monetary Fund's World Economic Outlook, published in April 2023, revealed that the global economy grew by 3.4% in CY 2022. This growth was primarily driven by declines in energy and food prices, contributing to a decrease in global inflation. The projections indicate a downward trajectory, with core inflation expected to decrease to 5.1% by the end of CY 2023, reflecting a significant adjustment from the previous forecast.

While advanced economies experienced a slowdown in economic growth due to inflationary pressures, emerging markets are anticipated to showcase higher growth prospects. Projections indicate a growth rate of 3.9% in CY 2023 and 4.2% in CY 2024 for these markets. This resurgence of the global economy will be fuelled by robust labour markets, substantial household consumption, increased business investment, and the expansion of consumer demand.

Looking forward, the global economy is expected to continue its path towards recovery. The outlook for CY 2023 suggests a moderate growth rate of 2.8%, with further improvement projected for CY 2024 at 3.0%. Governments across the world are actively implementing contractionary monetary policies and fiscal measures to promote economic stability and facilitate sustained growth, effectively addressing the inflationary pressures that were experienced.

These comprehensive measures aim to lay the foundation for a brighter future, ensuring long-term economic stability. Despite the challenges faced in recent years, the global economy has demonstrated resilience, and the concerted efforts of Governments around the world have positioned it for a more optimistic trajectory in the years to come.



(Source: <https://www.imf.org/en/Publications/WEO/Issues/2023/01/31/world-economic-outlook-update-january-2023>)

INDIAN ECONOMIC OVERVIEW

The Indian economy has emerged as the fastest-growing major economy, despite global challenges affecting global growth. This growth is primarily driven by increased private sector spending and the Government's focus on improving infrastructure. The Ministry of Statistics and Programme Implementation (MoSPI) has reported a strong economic performance, with a growth rate of 7.2% by the end of FY 2022-23.

To address inflationary pressures, the Reserve Bank of India (RBI) has adjusted its monetary policies towards a tighter stance. In FY 2022-23, the RBI gradually increased the repo rate in six steps, reaching 6.50% in February 2023. As a result, the Indian economy has started to experience a reduction in inflationary pressures, which has positively impacted the domestic market's demand and fuelled the country's economic momentum.

Despite short-term turbulence, India's underlying economic fundamentals remain strong, and the long-term outlook is expected to be minimally affected. Growth-enhancing policies, such as the Production-Linked Incentive and the Government's focus on self-reliance, coupled with increased infrastructure spending, are generating a multiplier effect on jobs, income, productivity, and efficiency. Additionally, India's emphasis on manufacturing, Government incentives, rising services exports, digitalisation and technology transformation are anticipated to contribute to further economic growth. Furthermore, geopolitical conflicts

MANAGEMENT DISCUSSION AND ANALYSIS (CONTD.)

in other regions are positioning India as a preferred investment destination for global in-house centres and multinationals.

Looking ahead, while elevated core inflation has maintained the RBI's tighter stance, there is an optimistic outlook regarding inflation. The RBI foresees inflation moving closer to moderate levels in the first half of FY 2023-24, driven by increased domestic demand. However, external factors may cause inflation to decline to 6.1% in 2023, followed by a rise to 6.8% in 2024. The Union Budget 2023-24, along with increased Government spending, private consumption, and investment, will further stimulate economic activity and boost demand. Nevertheless, the steady growth momentum may be influenced by global spillover effects, necessitating cautious optimism in the economic system in the near future.

INDIAN CHEMICALS INDUSTRY

The chemicals industry is a vital sector of the country's economy, playing a significant role in its growth and development. With a wide range of products and applications, the industry covers more than 80,000 commercial products, showcasing its diverse nature and expansive market presence.

As per reports, the market size of the chemicals sector in India was around USD 178 billion in FY 2018-19. Additionally, India holds a strong position in global chemicals exports and imports, ranking 14th and 8th, respectively (excluding pharmaceuticals). This global competitiveness has attracted strategic investors from countries such as Japan, Korea, and Thailand, seeking to diversify their supply chains away from China.

Among the sub-segments of the industry, agrochemicals and specialty chemicals offer significant growth prospects. The agrochemicals sector, in particular, presents untapped potential, with a focus on developing new products and adopting judicious pesticide usage practices. The specialty chemicals sector is projected to reach a value of USD 40 billion by CY 2025, driven by increasing demand for high-value products. Furthermore, the Government's support through research and development initiatives, reduction in customs duty on imported products, and the 'Make in India' campaign further enhance the investment climate for the chemicals industry.

The Indian chemicals industry is experiencing diversification of global supply chains, driven by supply disruptions in China and the closure of plants in the EU and China due to environmental concerns. This shift

has favoured Indian manufacturers, who are now being considered reliable alternatives for global end-users. Indian companies are investing further in specialty chemicals, capitalising on this opportunity.

Sustainability is another key trend in the industry, as companies increasingly focus on adopting eco-friendly practices and complying with international sustainability standards. The industry is witnessing technological advancements, including the expansion of skill development programmes in chemicals and petrochemicals, the implementation of production-link incentive systems, and the use of advanced manufacturing technologies. These advancements drive innovation, improve product quality, and enhance the industry's competitiveness.

Moreover, India's strong presence in the global export market, particularly in dyes, pharmaceuticals, and agrochemicals, offers promising growth prospects. The country exports chemicals to major markets such as Germany, the UK, the US, Switzerland, Spain, Turkey, Singapore, and Japan, further strengthening its position in the global chemicals trade. Export projections suggest that exports in the chemicals industry will experience a compound annual growth rate (CAGR) of 9.5% to 10%, reaching USD 140 billion to USD 145 billion by CY 2040. Even imports are projected to grow at 9% to 9.5%, leading to a trade deficit that is likely to increase.

Among the three main segments of the sector, namely inorganic, petrochemicals (petchem), and specialty chemicals, only the specialty segment is expected to be a net exporter. By 2040, net exports in the specialty chemicals segment are projected to increase by around ten times, soaring from approximately USD 2 billion in CY 2021 to USD 21 billion. In contrast, the petrochemicals segment is anticipated to face a larger deficit of USD 41 billion, nearly twice as large as the inorganic segment's deficit of USD 21 billion.

The Indian Government's initiatives, such as the establishment of TC except and (PCPIRs), and the introduction of Production-Linked Incentive (PLI) schemes, provide further impetus to the industry's growth. The Government's focus on reducing imports, improving domestic production, and attracting investments through the 'Make in India' campaign sets the stage for a robust and sustainable chemicals industry in the country.

(<https://www.mckinsey.com/industries/chemicals/our-insights/india-the-next-chemicals-manufacturing-hub>)

(<https://www.ibef.org/industry/chemicals-presentation>)

MANAGEMENT DISCUSSION AND ANALYSIS (CONTD.)

SPECIALTY CHEMICALS INDUSTRY

The specialty chemicals sector, encompassing value-added niche products like dyes and pigments, polymers, surfactants, textile chemicals, water chemicals, and personal care chemicals, is playing a transformative role in shaping the Indian economy. This sector holds a pivotal position within the Indian chemicals industry, contributing approximately 7% to the GDP. By CY 2025, it is projected to reach a staggering USD 304 billion, surpassing the USD 178 billion mark in CY 2022. Not only is it the fastest-growing industry in India, but it has also gained a global reputation for its high-quality products, adherence to compliance standards, availability of raw materials, and skilled labour force.

The Indian specialty chemicals industry is poised to outpace its counterparts in China, Japan, and the rest of the world. In terms of trade, specialty chemicals account for a significant share of over 50% of chemical exports. Active pharmaceutical ingredients (APIs) and dyes & pigments continue to dominate the sub-segments, exerting a substantial influence on export potential. Several factors contribute to India's emergence as an exporting hub for specialty chemicals. The country's robust process engineering capabilities, cost-effective manufacturing facilities, and abundant manpower create a plethora of opportunities for both imports and exports in the specialty chemicals domain.

Furthermore, Government initiatives such as the Petroleum, Chemicals, and Petrochemicals Investment Region (PCPIR) policy and the Production-Linked Incentive (PLI) schemes instil confidence in the development of domestic manufacturing and specialty chemicals. These measures provide the necessary impetus to harness the potential of this sector, further bolstering its growth trajectory.

(Source: <https://www.crisil.com/en/home/newsroom/press-releases/2022/03/india-to-double-specialty-chemicals-market-share-in-5-years.html>)

<https://www.grandviewresearch.com/industry-analysis/specialty-chemicals-market>)

DYESTUFF INDUSTRY

The dyestuff industry has a rich history, spanning centuries of human civilisation. The use of dyes to impart colour to textiles and other materials dates back to ancient civilisations, where natural sources such as plants, minerals, and insects were utilised to create vibrant hues. Over time, advancements in science and technology led to the development of synthetic

dyes, revolutionising the industry and expanding the possibilities of colouration.

In recent years, the dyestuff market has witnessed steady growth and innovation. The market size has been on an upward trajectory, driven by the increasing demand for dyed fabrics across various sectors such as fashion, home textiles, and industrial applications. Manufacturers across the globe have embraced synthetic dyes for their efficiency, versatility, and wide colour range, bolstering the demand for dyestuffs.

Overcoming the setbacks caused by the pandemic related halts, the dyestuff industry is poised for a resilient recovery. As vaccination efforts continue and economies gradually reopen, the demand for dyed textiles is expected to rebound. The industry is adapting to new market dynamics, focussing on sustainable practices and eco-friendly dyes to meet the growing consumer preference for environmentally conscious products. Advancements in dyeing technologies and research in developing novel dyes, sustainable dyeing processes, such as natural dye extraction and the use of recycled materials, are gaining traction, aligning with the global focus on environmental conservation.

Looking ahead, the dyestuff market is projected to experience significant growth in the coming years. Factors such as increasing disposable income, urbanisation, and evolving fashion trends are expected to drive the demand for dyed textiles. The market size is forecasted to reach new heights, with a compound annual growth rate (CAGR) of 6.6% during the forecast period of 2022-2027.

(<https://www.industryarc.com/Research/Dyestuff-Market-Research-510937>)

OPPORTUNITIES

Indian Chemicals Industry's Strong Global Ranking:

India has emerged as a leading economy in the world and its GDP has grown at an average rate of about 7% in the last one decade. The Indian Government recognises the chemicals industry as a crucial driver of the economy and aims for it to contribute 25% to manufacturing GDP by CY 2025. Globally, India has established itself as a prominent player in the global chemicals industry, positioning the country as a reliable and competitive chemicals manufacturer. India holds a strong position in global chemicals exports and imports, ranking 14th and 8th, respectively (excluding pharmaceuticals). With a promising and long-term future, Indian chemical businesses are capitalising on market shifts and working towards improving product quality and productivity.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTD.)

Rising Demand:

The specialty chemicals industry in India is witnessing a surge in demand, driven by sectors like food processing, personal care, and home care. The domestic chemical sector is projected to witness 11-12% growth between 2021-27 and 7 to 10% during 2027-40.

Source: <https://www.mckinsey.com/industries/chemicals/our-insights/india-the-next-chemicals-manufacturing-hub>. This growth can be attributed to increased domestic demand and higher realisation due to elevated chemical prices.

Rise in Investment:

The Indian chemicals industry presents numerous untapped opportunities and has gained global recognition for its high potential. It has emerged as a highly sought-after investment destination in this sector. Projections indicate that the next decade holds immense potential, with anticipated investments exceeding USD 87 billion, primarily focussing on major petrochemical products. This underscores the favourable outlook and lucrative prospects for investors in India's chemicals industry.

The Union Budget 2023-24:

The Budget's focus aligns with the long-term objective of transitioning to eco-friendly and cost-effective energy alternatives. The substantial increase in budgetary allocation (₹ 160 billion, a 67% increase over FY 2022-23 RE) towards the reform-oriented and result-oriented capital expenditure (Capex) programme is expected to enable state discoms to enhance their infrastructure, leading to improved operational efficiencies.

Other focus areas such as infrastructure development, and schemes such as 'Make in India', 'Aatmanirbhar Bharat Abhiyan' and the 'Production-Linked Incentive (PLI)' scheme, will also indirectly propel the Indian chemical industry.

COMPANY OVERVIEW

Bodal Chemicals Ltd. offers end-to-end specialty chemical solutions as one of the world's major manufacturers and exporters of dyes intermediate, dyestuff and basic chemicals. Since over 25 years now, it

has remained consistent in delivering to its commitment of providing product and service solutions to clients with agility and quality. The Company began as a dye intermediates company in 1989 and has since expanded into producing dyestuff and basic chemicals through forward and backward integration. Bodal is the largest local maker of dye intermediates in India, and in 2006, it got listed on the stock markets, marking a major milestone in its growth history.

Today, the Company operates 10 manufacturing plants in Ahmedabad, Vadodara, Kambhat, Mathura (Koshi) and Punjab, backing our production of over 200 products. It caters to the demands of over 600 customers, serving industries such as textiles, paper, leather, and water purification, with over 70 distributors. The current manufacturing capacity stands at 4,21,000 MTPA with an upcoming capacity of 63,000 MTPA. These facilities are complemented by the Company's 11 depots across India (7), China (1), Turkey (1), Bangladesh (1), and Indonesia (1) alongside two R&D centres in Gujarat.

OPERATIONAL AND FINANCIAL OVERVIEW

The past year tested the resilience and commitment of the Company in terms of operating in a challenging business environment. Nevertheless, it stood strong even amid headwinds such that the business momentum forged ahead with preparedness and decent growth figures with no compromise on quality or commitment.

KPIs	Standalone	
	FY 2022-23	FY 2021-22
Revenue (₹ in million)	15,631.02	20,187
EBITDA (₹ in million)	1,291.16	2,320
PAT (₹ in million)	311.43	1,242.64
EBITDA Margin (%)	8.26%	11.49%
PAT Margin (%)	2.00%	6.18%
Net Debt/Equity (in times)	0.67	0.58
ROE (%)	2.79%	11.80%
Net Working Capital Days	44.74	52.99
ROCE (%)	5.17%	14.16%
EPS (₹)	2.48	9.91

MANAGEMENT DISCUSSION AND ANALYSIS (CONTD.)

Particulars	FY 2022-23	FY 2021-22	Reason for Change
Total Revenue (₹ in million)	15,631.02	20,186.86	Due to recessionary environment in major economies of the world and ongoing war between Russia and Ukraine leads to lower demand → lower volume → higher cost of production → lower margin → lower profitability
R&D Expenses (₹ in million)	44.13	49.48	
Earnings Before Interest, Tax, Depreciation, and Amortisation (₹ in million)	1,291.16	2,320.20	
Profit Before Tax (₹ in million)	425.51	1,654.54	
Profit After Tax (₹ in million)	311.43	1,242.64	
Total Assets (₹ in million)	21,625.63	21,273.85	
EPS (₹)	2.48	9.91	

Name of Metric	FY 2022-23	FY 2021-22	% Change	Explanation in Case of Change is 25% or More, as Compared to Previous Year
Inventory Turnover	2.55	3.26	(21.67)%	-
Current Ratio	1.31	1.38	(5.08)%	-
Debt-Equity Ratio	0.67	0.58	15.29%	-
Debtors' Turnover	3.28	4.30	(23.58)%	-
Operating Profit Margin	4.95%	9.27%	(46.63)%	Due to recessionary environment in major economies of the world and ongoing war between Russia and Ukraine leads to lower demand → lower volume → higher cost of production → lower margin → lower profitability. Rate of interest has also increased.
Return on Net Worth	2.76%	11.27%	(75.46)%	
Interest Coverage Ratio	3.75	11.05	(66.04)%	

CAPEX FOR FUTURE SUSTAINABILITY

Bodal Chemicals Ltd.'s greenfield project in Saykha, Gujarat, is aligned to its focus on expanding its benzene downstream capacity. The Company aims to establish a benzene plant with an annual production capacity of approximately 63,000 metric tonnes. The project's estimated cost is around ₹ 2,700 million, which includes the plant infrastructure and related soft costs amounting to approximately ₹ 1,200 million, resulting in a total investment of ₹ 3,900 million.

Upon achieving a stable operation at the new site and gaining substantial demand visibility, Bodal Chemicals Ltd. plans to resume the operation of its sulphuric acid plant. This strategic decision aligns with the Company's goal of capitalising on opportunities within the pharmaceuticals, agrochemicals, dyes industry, and rubber industry sectors.

Furthermore, Bodal Chemicals Ltd. aims to enhance its specialty chemicals segment by focussing on import substitution, thereby reducing dependency on external suppliers. This integration strategy not only enhances cost efficiency but also improves productivity and enables the Company to achieve higher profit margins.

The proposed Capex also includes a portfolio diversification initiative, allowing Bodal Chemicals Ltd. to expand its product offerings and capture a broader market share. This expansion into new segments within the specialty chemicals domain reinforces the Company's commitment to long-term growth and sustainable success.

RISKS AND MITIGATION STRATEGIES

The Company has various strategies and committees in place to monitor the changes taking place around and within. It realises that the risks forming a part of the dynamic business environment are inevitable and require expertise as well as resilience to tackle the effects. Thus, not undermining the risks or over-estimating its capabilities, the Company takes the following measures with respect to the broad classification of risks as follows:

MANAGEMENT DISCUSSION AND ANALYSIS (CONTD.)

Types of Risks	Definition	Bodal's Mitigation Strategy
Competition Risk	The risk of failing to seize timely opportunities and facing intensified competition, potentially impacting market share, margins, and return on capital employed.	<ul style="list-style-type: none"> Proactive response through the introduction of new products, leveraging long-standing client connections as a preferred supplier and dependable partner.
Foreign Currency Exchange Rate Risk	The risk of substantial financial performance impact due to foreign exchange rate fluctuations, with exports accounting for a significant portion of revenue and raw materials being imported.	<ul style="list-style-type: none"> Strong foreign exchange hedging mechanisms in place, utilising processes such as forward contracts to manage this risk effectively.
Raw Material Price Risk	The risk of price fluctuations in crude oil and other raw materials, which can impact the company's bottom line.	<ul style="list-style-type: none"> Strategic backward integration to ensure consistent and cost-effective raw material supply, gradually reducing reliance on external vendors.
Labour Disputes Risk	The risk of industrial conflicts and strikes limiting the company's capacity to meet client demands.	<ul style="list-style-type: none"> Maintaining open lines of communication with the workforce, fostering a friendly and cooperative environment with employees, workers, sub-contractors and others to mitigate this risk.
Regulatory Compliance Risk	The risk of non-compliance with regulatory requirements, leading to legal penalties, reputation damage, and disruptions in business operations.	<ul style="list-style-type: none"> Dedicated compliance team and regular audits to ensure adherence to all applicable regulations, continuous monitoring of regulatory changes, and proactive measures to address any compliance gaps.
Quality Risk	The risk of a decrease in product quality, compromising customer relationships and reducing profitability.	<ul style="list-style-type: none"> Implementation of a rigorous quality control system and adherence to external requirements to maintain high product quality standards.
Supply Chain Disruption Risk	The risk of disruptions in the supply chain, such as delays in raw material delivery, transportation issues, or natural disasters, impacting production and customer satisfaction.	<ul style="list-style-type: none"> Diversification of suppliers, effective supply chain management systems, and contingency plans to minimise disruptions, maintain alternate sourcing options, and ensure business continuity.
Technology and Cybersecurity Risk	The risk of technology failures, data breaches, and cyberattacks, which can lead to operational disruptions, financial losses, and compromised customer data.	<ul style="list-style-type: none"> Robust IT infrastructure, regular cybersecurity assessments, implementation of advanced security measures, employee training on cybersecurity best practices, and proactive monitoring to detect and mitigate potential risks.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTD.)

HUMAN RESOURCE MANAGEMENT

Recognising the pivotal role of employee satisfaction in the overall success of an organisation, Bodal places utmost importance on its human resources. The Company understands that a diverse and inclusive team is vital for driving innovation and fostering a culture of excellence. It's consistent ability to identify, recruit, and retain top talent has been a key driver of its remarkable growth trajectory. The Company's strength lies in its cohesive and collaborative team, where individuals work together towards common goals and grow collectively.

Bodal Chemicals understands the value of continuous learning and skill development in personal and organisational growth. With a strong commitment to employee development, the Company conducts regular training and development sessions that motivate and empower its workforce to unleash their full potential. Rigorous training programmes are designed to attract and retain exceptional talent in the industry, ensuring that employees stay abreast of the latest advancements and industry best practices.

The Company's focus on human resources is evident through the successful implementation of significant HR initiatives and effective people management practices. By prioritising employee well-being, career advancement, and skill enhancement, Bodal creates a conducive work environment that fosters engagement and loyalty. As of March 2023, the Company proudly boasts an employee strength of 2,046, a testament to its commitment to nurturing and retaining a talented workforce.

SUPPLY CHAIN MANAGEMENT

With a strong global presence spanning over 50 countries, Bodal Chemicals Ltd. is committed to delivering innovative products and services to its esteemed clientele. Recognising the significance of staying ahead in a competitive market, the Company has developed advanced supply chain management systems that empower its customers. Successful supply chain management requires a strategic corporate approach, specialised tools, and collaborative teamwork. It entails meticulous planning and coordination of various processes, including demand forecasting, procurement, manufacturing, inventory management and storage, transportation/logistics, and product returns. As a testament to its dedication, Bodal Chemicals Ltd. consistently invests in optimising its supply chain, nurturing trade partner expertise, and providing comprehensive sales force training. Moreover, the Company maintains a vigilant eye on its production

facilities, continually monitoring and making necessary modifications to enhance responsiveness and operational efficiency.

INFORMATION TECHNOLOGY

Bodal Chemicals Ltd. harnesses the power of Information Technology (IT) to establish a strong competitive advantage and streamline its business operations. Recognising the pivotal role of IT in today's society, encompassing software and systems for efficient data processing, the Company prioritises vigilant monitoring and consistent enhancements of its IT infrastructure. A robust IT system effectively manages database, monitors operations and helps in mapping out the way ahead. It enables the Company to gain higher accuracy and preciseness in terms of analysing data as well as in drafting the strategic layout of its plan.

Through timely upgrades and cutting-edge technology, Bodal Chemicals Ltd. ensures precise outcomes and stays at the forefront of technological advancements. Furthermore, the implementation of a robust Enterprise Resource Planning (ERP) system enables seamless supply chain expansion, precise sourcing, and accurate supply projections, further bolstering the Company's operational efficiency.

CAUTIONARY STATEMENT

Statements in the Directors' Report, Management Discussion and Analysis or elsewhere in this annual report, contain forward-looking statements including, but without limitation, statements relating to the implementation of strategic initiatives and other statements relating to Bodal Chemicals Ltd.'s future business developments and economic performance. While these forward-looking statements indicate our assessment and future expectations concerning the development of our business, a number of risks, uncertainties and other unknown factors could cause actual developments and results to differ materially from our expectations. These factors include but are not limited to, general market, macroeconomic, Governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, legislative developments, and other key factors that could affect our business and financial performance. Bodal Chemicals Ltd. undertakes no obligation to publicly revise any forward-looking statements to reflect future/likely events or circumstances.

INDEPENDENT AUDITOR'S REPORT

To
The Members of Bodal CHEMICALS LIMITED
Report on the Audit of the Standalone Financial Statements

OPINION

We have audited the accompanying standalone financial statements of Bodal CHEMICALS LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2023, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

BASIS FOR OPINION

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

Sr. No.	Key Audit Matter	Auditor's Response
1	<p>Timely recognition of revenue (Refer Note 1.3 and Note 24 to the Standalone Financial Statements for notes on revenue from operations)</p> <p>We focused on this area as a Key audit matter due to the risk of incorrect timing of revenue recognition. Since the Company focuses on revenue as a key performance measure, it could create an incentive for revenue to be recognised though the performance obligations have not been satisfied by the Company.</p>	<p>Principal audit procedures performed:</p> <p>Our audit procedures were a combination of test of controls and substantive procedures which included the following:</p> <ul style="list-style-type: none"> • Evaluated the design of internal controls relating to recording of revenues at reporting periods. • Selected a sample of invoices and tested the operating effectiveness of internal controls relating to revenue cut off's. • Performed cut-off procedures (early and late cut off's) for sample of revenue transactions at year-end by testing the underlying invoices to the related delivery documents.

INDEPENDENT AUDITOR'S REPORT (CONTD.)

Sr. No.	Key Audit Matter	Auditor's Response
2	<p>Inventories</p> <p>We consider Inventories as key audit matter due its size being ₹ 274.96 Crore that constitutes 34.16 % of the current assets of the Company as at 31st March 2023.</p>	<p>Testing the inventory provisioning and challenging the assumptions for inventory valuation basis non-moving/slow moving items.</p> <ul style="list-style-type: none"> Review the policy of the management for physical verification and the documents related to management's physical count procedure actually followed at different locations. Sample testing of management physical verification report. We observe the physical verification process at locations of financial significance

OTHER MATTERS

- The comparative financial information of the Company for the year ended 31st March 2022 prepared in accordance with Ind AS included in this Statement have been audited by the predecessor auditor. The reports of the predecessor auditor on these comparative financial information dated 27th May 2022 expressed unmodified opinion / conclusion.
 - As stated in Note 46 to the Statement, pursuant to the Scheme of Amalgamation of S P S Processors Private Limited ("SPS") with the Company (the "Scheme"), the financial information for the previous periods have been restated to give effect of the Scheme. Further, the above restatement, inter alia, is based on the financial information of SPS which has not been reviewed by us. This financials information have been reviewed, as applicable, by other auditors whose reports have been furnished to us by the Management and our report on the Statement, in so far as it relates to the amounts and disclosures included in respect of SPS is based solely on the reports of other auditors.
- Our opinion on the standalone Ind AS financial statements is not modified in respect of the above matters.

INFORMATION OTHER THAN THE 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 Board's

Report including Annexures to Board's Report, Corporate Governance Report and Management Discussion & Analysis, but does not include consolidated financial statements, standalone financial statements, and our auditor's reports thereon. These reports are expected to be made available to us after the date of this auditor's report.

- Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- When we read the other information identified above, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information.'

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 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

INDEPENDENT AUDITOR'S REPORT (CONTD.)

income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement 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.

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

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether

due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

INDEPENDENT AUDITOR'S REPORT (CONTD.)

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, based on our audit, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income,

the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

- d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on 31st March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2023 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, 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.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

INDEPENDENT AUDITOR'S REPORT (CONTD.)

- 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 as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act, as applicable.
- As stated in note 17.7 to the financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from 01st April 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31st March 2023.
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Naresh J Patel & Co.**
Chartered Accountants
Firm Registration No.: 123227W

Chintan N Patel
Partner
Membership No.: 110741 Place: Ahmedabad
UDIN No.: 23110741BGXILY3901 Date: 30th May 2023

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

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

We have audited the internal financial controls over financial reporting of Bodal Chemicals Limited (“the Company”) as of 31st March 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

MANAGEMENT’S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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. 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.

AUDITOR’S RESPONSIBILITY

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting of the Company 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”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was

established and maintained and if such controls operated effectively in all material respects.

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT (CONTD.)

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

OPINION

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal

financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2023, based on the criteria for internal financial control over financial reporting 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 **Naresh J Patel & Co.**

Chartered Accountants

Firm Registration No.: 123227W

Chintan N Patel

Partner

Membership No.: 110741

UDIN No.: 23110741BGXILY3901

Place: Ahmedabad

Date: 30th May 2023

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

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

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) (a) (A) The Company has maintained records showing particulars, including quantitative details and situation of property, plant and equipment. However, the quantitative details for the period prior to 01st April 2019 are separately maintained that are yet to be incorporated in fixed assets register.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a programme of verification of property, plant and equipment, capital work in-progress and right-of-use assets so to cover all the items once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain property, plant and equipment were due for physical verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) Based on our examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds of all the immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment and non-current assets held for sale are held in the name of the Company as at the balance sheet date.
- (d) The Company has not revalued any of its property, plant and equipment including Right of Use assets and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at 31st March 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii) (a) The inventories except for (goods-in-transit and stocks held with third parties) were physically verified during the year by the Management at reasonable intervals. In our opinion and based on information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. For stocks held with third parties at the year-end, written confirmations have been obtained and in respect of goods in transit, the goods have been received subsequent to the year end. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories/alternate procedures performed as applicable, when compared with books of account.
- (b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of ₹ 5 Crores, in aggregate, at points of time during the year, from banks on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising (stock statements, book debt statements, statements on ageing analysis of the debtors/ other receivables, and other stipulated financial information) filed by the Company with such banks are in agreement with the unaudited books of account of the Company of the respective quarters.
- iii) The Company has made investments in, provided guarantee or security, and granted loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT (CONTD.)

or any other parties during the year, in respect of which:

- (a) During the year, the Company has not provided any loans, stood guaranties and any advances in the nature of loans or security to any other entity during the year.
- (b) The investments made, guarantees provided and the terms and conditions of the grant of all the above-mentioned loans and guarantees provided, during the year are, in our opinion, prima facie, not prejudicial to the Company’s interest.
- (c) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c) of the Order is not applicable to the Company.
- (d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
- (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 overdues 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, in our opinion 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 to its Promoters, related parties as defined in Clause (76) of Section 2 of the Companies Act, 2013 (“the Act”).
- iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.
- vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii) According to the information and explanations given to us, in respect of statutory dues:
 - (a) Undisputed statutory dues, including Goods & Service Tax, Provident Fund, and Employees’ State Insurance, Income Tax, Customs Duty, cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods & Service Tax, Provident Fund, Employees’ State Insurance, Income Tax, Customs Duty, cess and other material statutory dues in arrears as at 31st March 2023 for a period of more than six months from the date they became payable.
 - (b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on 31st March 2023 on account of disputes are given below:

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT (CONTD.)

(Amounts in million)

Name of the statute	Nature of the Dues	Forum where dispute is pending	Period to which the amount relates	Amount involved (in ₹)	Amount unpaid (in ₹)
Income Tax Act, 1961	Demand for Tax	Appellate Tribunal	AY 2006-2007 AY 2007-2008 AY 2008-2009 AY 2010-2011	56.73	-
		Commissioner (Appeals)	AY 2016-2017 AY 2017-2018 AY 2018-2019	22.83	0.002
		Assessing Officer	Various	1.65	0.82
Central Excise Act, 1944	Demand for Tax and Penalty	Customs Excise and Service Tax Appellate Tribunal	FY 2005-2015	22.60	22.15
		Commissioner (Appeals)	FY 2009-2015	0.18	0.18
		Assistance Commissioner	FY 2016-2022	1.88	1.88
Custom Act, 1962	Demand for Tax	Commissioner	FY 2016-2017	8.26	8.26
Finance Act 1994	Demand for Tax	Commissioner	FY 2015-2016	20.95	20.95
GST ACT 2017	Demand of Tax	Assistant Commissioner	FY 2017-2018	3.12	3.12
		Sales Tax Officer	FY 2017-2022	0.07	0.07

viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained, other than temporary deployment pending application in respect of term loans raised towards the end of the year.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has

not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries and associates. The Company does not have any joint ventures.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or associate companies. The Company does not have any joint ventures.

x) (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.

(b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.

xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT (CONTD.)

under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.

- (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.
- xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- xiv) (a) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have not considered for the period under audit, the internal audit reports issued to the Company during the year including those issued after the balance date and covering the period up to March 2023.
- xv) In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.
- The Group does not have any CIC as part of the group and accordingly reporting under clause (xvi) (d) of the Order is not applicable.
- xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii) There has been no resignation of the statutory auditors of the Company during the year.
- xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and

our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- xx) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.
- xxi) According to the information and explanations given to us, and based on the CARO reports issued by the auditors of the subsidiaries and associates included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, provided to us by the Management of the Company and based on the identification of matters of qualifications or adverse remarks in their CARO reports by the respective component auditors and provided to us, we report that the auditors of such companies have not reported any qualifications or adverse remarks in their CARO report.

For Naresh J Patel & Co.
Chartered Accountants
Firm Registration No.: 123227W

Chintan N Patel
Partner
Membership No.: 110741 Place: Ahmedabad
UDIN No.: 23110741BGXILY3901 Date: 30th May 2023

STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2023

PARTICULARS	Notes	(₹ in million)	
		As at 31st March 2023	As at 31st March 2022
ASSETS			
Non - Current Assets :			
Property, Plant and Equipment	2	9,516.49	8,008.93
Right of Use Asset	3	5.48	-
Capital Work-in-progress	4	1,934.67	695.29
Goodwill	5	22.58	22.58
Other Intangible Assets	5	5.14	4.80
Financial Assets			
Investments	6	1,003.22	990.64
Loans	7	30.30	17.21
Other Financial Assets	8	264.01	172.63
Non-Current Tax Assets (Net)	36	140.92	152.08
Other Non-Current Assets	9	653.95	617.64
Total Non - Current Assets		13,576.76	10,681.80
Current Assets			
Inventories	10	2,749.62	4,298.41
Financial Assets			
Trade Receivables - Others	11	3,446.43	4,402.87
Trade Receivables - Customers Bill Discounted	11	621.19	997.98
Cash and Cash Equivalents	12	47.71	37.98
Bank Balances other than above	13	18.74	58.48
Loans	14	22.60	47.82
Other Financial Assets	15	39.01	11.57
Current Tax Assets (Net)	36	69.03	-
Other Current Assets	16	1,034.40	644.97
Assets held for sale		0.14	91.97
Total Current Assets		8,048.87	10,592.05
Total Assets		21,625.63	21,273.85
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	17	251.25	244.96
Other Equity	18	11,013.24	10,784.60
Total Equity		11,264.49	11,029.56
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	19	3,618.33	2,137.37
Deferred Tax Liabilities (Net)	36	600.11	434.10
Total Non-Current Liabilities		4,218.44	2,571.47
Current Liabilities			
Financial Liabilities			
Borrowings - Others	20	3,301.87	3,266.74
Borrowings - Customers Bill Discounted	20	621.19	997.98
Lease Liabilities	43	5.72	-
Trade Payables	21		
(a) Total outstanding dues of Micro Enterprises and Small Enterprises		100.05	99.43
(b) Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises		1,783.67	2,446.28
Other Financial Liabilities	22	212.30	535.45
Other Current Liabilities	23	114.62	158.73
Current Tax Liabilities (Net)	36	-	61.81
Liabilities Directly Associated with Assets Classified as held for Sale		3.28	106.40
Total Current Liabilities		6,142.70	7,672.82
Total Liabilities		10,361.14	10,244.29
Total Equity and Liabilities		21,625.63	21,273.85

See Accompanying Notes forming part of the Financial Statements

1 to 51

As Per Our Report of even date attached

For Naresh J. Patel & Co.

Chartered Accountants

Firm Registration No. 123227W

Chintan N. Patel

Partner

Membership No. 110741

Ahmedabad
30th May 2023

For and on behalf of the Board of Directors

Suresh J. Patel

Chairman & Managing Director

DIN : 00007400

Mayur B. Padhya

Chief Financial Officer

Ahmedabad
30th May 2023

Ankit S. Patel

Executive Director

DIN : 02173231

Ashutosh B. Bhatt

Company Secretary

STANDALONE STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2023

PARTICULARS	Notes	(₹ in million)	
		Year Ended 31st March 2023	Year Ended 31st March 2022
INCOME			
Revenue from Operations	24	15,551.22	20,108.30
Other Income	25	79.80	78.56
Total Income		15,631.02	20,186.86
EXPENSES			
Cost of Materials Consumed	26	8,331.03	12,103.84
Purchases of Stock-in Trade	27	0.29	2.08
Changes in Inventories of Finished Goods, Work in Process and Stock in Trade	28	664.17	(954.43)
Employee Benefits Expenses	29	918.84	1,075.14
Finance Costs	30	344.07	209.95
Depreciation and Amortisation expense	31	521.58	455.71
Other Expenses	32	4,425.53	5,640.03
Total Expenses		15,205.51	18,532.32
Profit Before Tax		425.51	1,654.54
Tax Expenses	36		
Current Tax on Profit for the Year		48.08	419.33
(Short)/Excess Provision of Tax of Prior Years		(99.70)	(3.94)
Current Tax		(51.62)	415.39
Deferred Tax		165.70	(3.49)
Total Tax Expense		114.08	411.90
Profit for the Year		311.43	1,242.64
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plans		1.23	6.66
Income Tax relating to items that will not be reclassified to profit or loss		(0.31)	(1.68)
Other Comprehensive Income for the Year		0.92	4.98
Total Comprehensive Income for the Year		312.35	1,247.62
Earnings per equity share (Face value of ₹2 each)	39		
Basic (in ₹)		2.48	9.91
Diluted (in ₹)		2.48	9.90

See Accompanying Notes forming part of the Financial Statements

1 to 51

As Per Our Report of even date attached

For Naresh J. Patel & Co.

Chartered Accountants

Firm Registration No. 123227W

For and on behalf of the Board of Directors

Chintan N. Patel

Partner

Membership No. 110741

Suresh J. Patel

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Executive Director

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Mayur B. Padhya

Chief Financial Officer

Ahmedabad

30th May 2023

Ashutosh B. Bhatt

Company Secretary

Ahmedabad

30th May 2023

STANDALONE STATEMENT OF CHANGES IN EQUITY

AS AT 31ST MARCH 2023

A) Equity Share Capital

	As at 31st March 2023	As at 31st March, 2022
Balance at the beginning of the year	244.96	244.66
Add : Issue of Shares under Common Control	5.94	-
Add : Issue of Shares under ESOP (refer Note 45)	0.35	0.30
Balance at the end of the year	251.25	244.96

B) Other Equity

	Reserves & Surplus							Total
	Capital Reserves	Capital Redemption Reserve	Securities Premium	Employee Stock Options Outstanding Account	General Reserve	Share Capital to be issued under Common Control	Retained Earnings	
Balance as at 1st April 2021 (A)	568.56	289.67	2,406.17	21.98	138.86	-	6,256.59	9,681.83
Additions during the year:								
Addition due to Common Control	0.19	-	-	-	-	-	(47.39)	(47.20)
Adjustment due to Common Control	(6.22)	-	-	-	-	-	-	(6.22)
Profit for the year	-	-	-	-	-	-	1,242.64	1,242.64
Other Comprehensive Income for the Year	-	-	-	-	-	-	4.98	4.98
Total Comprehensive Income for the Year FY 2021-22 (B)	(6.03)	-	-	-	-	-	1,200.23	1,194.20
Securities Premium on Issue of Shares	-	-	11.27	-	-	-	-	11.27
Addition due to Common Control	-	-	-	-	-	5.94	-	5.94
Addition due to Employee Share based Expense (refer note 45)	-	-	-	(10.66)	-	-	-	(10.66)
Reductions during the year:								
Dividends	-	-	-	-	-	-	(97.98)	(97.98)
Total (C)	-	-	11.27	(10.66)	-	5.94	(97.98)	(91.43)
Balance as at 31st March 2022 (D) = (A+B+C)	562.53	289.67	2,417.44	11.32	138.86	5.94	7,358.84	10,784.60
Additions during the year:								
Profit for the year	-	-	-	-	-	-	311.43	311.43
Other Comprehensive Income for the Year	-	-	-	-	-	-	0.92	0.92
Total Comprehensive Income for the Year FY 2022-23 (E)	-	-	-	-	-	-	312.35	312.35
Securities Premium on issue of shares	-	-	18.17	-	-	-	-	18.17
Issue of Shares under Common Control	-	-	-	-	-	(5.94)	-	(5.94)
Change due to Employee Share based Expense (refer note 45)	-	-	-	2.18	-	-	-	2.18
Reductions during the year								
Dividends	-	-	-	-	-	-	(98.12)	(98.12)
Total (F)	-	-	18.17	2.18	-	(5.94)	(98.12)	(83.71)
Balance as at 31st March 2023 (D+E+F)	562.53	289.67	2,435.61	13.50	138.86	-	7,573.07	11,013.24

See Accompanying Notes forming part of the Financial Statements

1 to 51

As Per Our Report of even date attached
For Naresh J. Patel & Co.
Chartered Accountants
Firm Registration No. 123227W

For and on behalf of the Board of Directors

Chintan N. Patel
Partner
Membership No. 110741

Suresh J. Patel
Chairman & Managing Director
DIN : 00007400

Ankit S. Patel
Executive Director
DIN : 02173231

Ahmedabad
30th May 2023

Mayur B. Padhya
Chief Financial Officer
Ahmedabad
30th May 2023

Ashutosh B. Bhatt
Company Secretary

STANDALONE STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31ST MARCH, 2023

PARTICULARS	(₹ in million)	
	Year 2022-23	Year 2021-22
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit Before Tax	425.51	1,654.54
Adjustments for		
Depreciation and Amortisation Expense	521.58	455.71
Unrealised Foreign Exchange Loss / (Gain)	(0.21)	8.80
Fair Value Loss / (Gain) on Investments measured through Profit or Loss	(3.18)	(0.42)
Mark-to-market (Gain) / Loss on derivative financial instruments	(4.70)	0.06
Impairment Loss under Expected Credit Loss Model	1.88	0.69
Liabilities no Longer Required Written Back	(0.14)	(0.03)
Finance Costs	344.07	209.95
Expenses recognised in respect of Share based Payments	18.98	(0.59)
Profit on Sale of Property, Plant & Equipment (Net)	(13.59)	(7.05)
Interest Income	(38.38)	(27.03)
Dividend Income	(0.28)	(1.68)
Profit on Sale of Investments (Net)	(0.43)	(40.10)
Operating Profit before Working Capital Changes	1,251.11	2,252.85
Adjustment for :		
(Increase) / Decrease in Trade Receivables	1,332.52	(745.62)
(Increase) / Decrease in Inventories	1,548.79	(1,646.37)
(Increase) / Decrease in Financial Assets	(72.64)	61.57
(Increase) / Decrease in Other Assets	(394.80)	50.19
Increase / (Decrease) in Trade Payables	(661.83)	287.28
Increase / (Decrease) in Other Financial Liabilities	(325.14)	317.95
Increase / (Decrease) in Other Liabilities and Provisions	(145.86)	87.14
Cash generated from Operations	2,532.15	664.99
Income Taxes Paid (Net of Refund)	68.07	367.42
Net Cash generated from Operating Activities (A)	2,464.08	297.57
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Property, Plant & Equipment including Capital Work in Progress and Capital Advances	(3,376.29)	(1,593.44)
Sale Proceeds of Property, Plant & Equipment	189.32	27.49
Loans given to Subsidiaries	-	(247.18)
Loans repaid by Subsidiaries	-	0.88
Loans given / (Received back from) to Employees (Net)	12.12	(18.03)
Interest received	35.14	126.22
Dividend received	0.28	1.68
Inter Corporate Loans received back	-	2.35
Bank Balances not considered as Cash and Cash Equivalents		
Investment in Term Deposits (Margin Money)	(35.50)	(72.10)
Redemption / Maturity of Term Deposits (Margin Money)	37.01	42.92
Investment in Current Investments	(500.00)	-
Proceeds from Sale of Current Investments	504.29	102.22
Proceeds from Sale of Non-Current Investments	0.10	-
Investments in Equity Shares in Subsidiaries	(13.36)	(323.91)
Net Cash used in Investing Activities (B)	(3,146.89)	(1,950.90)

STANDALONE STATEMENT OF CASH FLOWS (CONTD.)

PARTICULARS	(₹ in million)	
	Year 2022-23	Year 2021-22
C CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from Long Term Borrowings	2,151.61	1,073.36
Increase / (Decrease) in Short Term Borrowings (Net)	(1,013.43)	956.02
Proceeds from issue of Equity Shares under ESOP	1.71	1.51
Finance Costs Paid	(343.34)	(309.70)
Lease Liability Paid	(5.96)	-
Dividend Paid on Equity Shares	(98.05)	(97.41)
Net Cash from Financing Activities (C)	692.54	1,623.78
NET INCREASE / (DECREASE) IN CASH & EQUIVALENTS	9.73	(29.55)
Cash & Cash Equivalents at the beginning of the year	37.98	60.58
Addition on Common Control	-	6.95
Cash & Cash Equivalents at the end of the year	47.71	37.98

Note : The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard AS - 3 on Cash Flow Statements issued by The Institute of Chartered Accountants of India.

Note : Changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, are given below.

	(₹ in Million)	
	Non-Current (Refer Note 19)	Current (Refer Note 20)
Borrowing as on 31st March 2022	2,137.37	4,264.72
Cash Flows	2,151.61	(1,013.43)
Non Cash Changes - Foreign Exchange Movement	-	1.11
Borrowing as on 31st March 2023	4,288.98	3,252.40

See Accompanying Notes forming part of the Financial Statements 1 to 51

As Per Our Report of even date attached

For Naresh J. Patel & Co.
Chartered Accountants
Firm Registration No. 123227W

For and on behalf of the Board of Directors

Chintan N. Patel
Partner
Membership No. 110741

Suresh J. Patel
Chairman & Managing Director
DIN : 00007400

Ankit S. Patel
Executive Director
DIN : 02173231

Ahmedabad
30th May 2023

Mayur B. Padhya
Chief Financial Officer
Ahmedabad
30th May 2023

Ashutosh B. Bhatt
Company Secretary

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

COMPANY BACKGROUND

Bodal Chemicals Ltd. ('the Company') is a public limited company incorporated in India. The registered office of the Company is located at Plot No. 123-124, Phase – I, G.I.D.C., Vatva, Ahmedabad - 382445, India. The Company is a Public Ltd. Company domiciled in India and incorporated under the provisions of the Companies Act, 2013 ("the Act" erstwhile Companies Act, 1956) applicable in India. Its equity shares are listed on the National Stock

Exchange ("NSE") and the Bombay Stock Exchange ("BSE") Ltd.

The Company is engaged in the business of manufacturing of Dyes, Dye Intermediates and Basic Chemicals.

1 Significant Accounting Policies:

1.1 Statement of compliance:

These financial statements comprising of Balance Sheet, Statement of Profit and Loss including other comprehensive income, Statement of Changes in Equity and Statement of Cash Flows as at 31st March 2023 have been prepared in accordance with and in compliance, in all material aspects, with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") read along with Companies (Indian Accounting Standards) Rules, as amended and other provisions of the Act.

The presentation of the Financial Statements is based on Ind AS Schedule III of the Act. The financial statements are presented in Indian Rupee ("₹") and all values are rounded to the nearest million as per the requirement of Schedule III, except when otherwise indicated.

1.2 Basis of Preparation of Financial Statements:

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as below:

- Financial assets and liabilities are measured at fair value or at amortised cost depending on classification; (Refer note no 1.16 and 1.17)
- Derivative financial instruments and contingent consideration is measured at fair value; (Refer note no 1.18)

- Assets held for sale – measured at fair value less cost to sell; (Refer note no 1.31)
- Defined benefit plans – plan assets measured at fair value; (Refer note no 1.6)
- Lease liability and Right-of-use assets – measured at fair value; (Refer note no 1.4) and
- Share based payments – measured at fair value. (Refer note no 1.7)

Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in accounting policy.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised 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 Company can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below.

1.3 Revenue Recognition:

a) Revenue from contracts with customer

Revenue is recognised when control of goods is transferred to a customer in accordance with the terms of the contract. The control of the goods is transferred upon delivery to the customers either at factory gate of the Company or specific location of the customer or when the goods are handed over to the freight carrier, as per the terms of the contract.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract.

Transaction price is typically determined based on contract entered into with customer. Allocation of transaction price in respect to multiple obligation is based on relative standalone selling price.

- b) Export incentives are recognised in the year where there is a reasonable assurance that the Company will comply with the conditions attaching to it and that the export incentive will be received.

c) Other Income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

Interest income from a financial asset is recognised 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.

1.4 Lease

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

The Company recognises a right-of-use asset and a lease liability at the lease commencement date except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the lease payments associated with these leases are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

Lease term is a non-cancellable period together with periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be amortised over the useful life of the underlying asset. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

The lease liability is initially measured at the present value of the lease payments to be paid over the lease term at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate. Subsequently, the lease liability is measured at amortised cost using the effective interest method.

1.5 Foreign Currencies:

In preparing the financial statements of the Company, transactions in currencies other than the Company'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.

1.6 Employee Benefits:

Retirement benefit costs

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, 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 recognised in Other Comprehensive Income in the period in which they occur. Remeasurement recognised in Other Comprehensive Income is

reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. 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
- Remeasurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised 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.

Termination benefits

A liability for a termination benefit is recognised at the earlier of when the Company can no longer withdraw the offer of the termination benefit and when the Company recognises any related restructuring costs.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits such as compensated absences are measured at the present value of the

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estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date. These are determined actuarially using the projected unit credit method.

1.7 Share Based Payments

Equity-settled share based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share based payments is expensed on a straight line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in Statement of Profit and Loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the Employee Stock Options Outstanding Account.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

1.8 Taxation:

Income tax expense represents the sum of the current tax and deferred tax.

Current tax

The current tax payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted by the end of the reporting period.

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 utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition 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 realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the year

Current and deferred tax are recognised 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.

1.9 Property, plant and equipment:

Property, plant and equipment held for use in the production or supply of goods or services, or for administrative purposes, are stated in the Balance Sheet at cost less accumulated depreciation and accumulated impairment losses.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

Subsequent costs are included in the carrying amount of asset or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the Statement of Profit and Loss during the period in which they are incurred.

The Company had applied for the one-time transition exemption of considering the carrying cost on the transition date i.e., 1st April 2016 as the deemed cost under Ind AS. Hence regarded thereafter as historical cost.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as 'Capital work-in-progress'.

Depreciation Methods, Estimated Useful Lives and Residual Value

Depreciation is recognised so as to write off the cost of assets (other than freehold land) less their residual values over their useful lives prescribed in Schedule II to the Companies Act, 2013, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

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

Freehold land is not depreciated.

For certain class of assets, based on the technical evaluation and assessment, the Company believes that the useful lives adopted by it best represent the period over which an asset is expected to be available for use. Accordingly, for these assets, the useful lives estimated by the Company are different from those prescribed in the Schedule II.

Property, Plant & Equipment are stated at deemed cost less accumulated depreciation and accumulated impairment losses.

Useful lives of tangible assets

Estimated useful lives of the tangible assets are as follows:

Buildings	30-60 years
Plant & Machinery	20 years
Furniture & Fixtures	10 years
Vehicles	8-10 years
Office Equipments & Computers	1-5 years

Capital work in progress is stated at cost less accumulated impairment loss, if any.

1.10 Intangible Assets:

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

De-recognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in profit or loss when the asset is derecognised.

Useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows:

Intangible assets are amortised on a straight-line basis over their technically assessed useful lives, as mentioned below:

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Intangible Assets	Estimated Useful Lives (Years)
Software	5
License/Membership Fees	10
Website	5

1.11 Impairment of tangible and intangible assets other than goodwill:

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest company of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-

generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

1.12 Inventories:

Raw materials, work-in-progress, finished goods, packing materials, stores, spares, components, consumables and stock-in-trade are carried at the lower of cost and net realisable value after providing for obsolescence, if any. The comparison of cost and net realisable value is made on an item-by-item basis.

In determining the cost of raw materials, packing materials, stock-in-trade, stores, spares, components and consumables, First-in-First-Out (FIFO) method is used. Cost of inventory comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.

Cost of finished goods and work-in-progress includes the cost of raw materials, packing materials, an appropriate share of fixed and variable production overheads as applicable and other costs incurred in bringing the inventories to their present location and condition.

Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on weighted average basis.

Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

Materials in transit are valued at cost-to-date.

1.13 Provision, Contingent Liabilities and Contingent Assets :

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will

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be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

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).

A contingent liability exists when there is a possible but not probable obligation or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognised nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

1.14 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the financial asset or settle the financial liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

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

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies.

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

1.15 Financial Instruments

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

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

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.

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

1.16 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised 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 market place.

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

Classification of financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- 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.

For the impairment policy on financial assets measured at amortised cost, refer paragraph of Impairment of financial assets.

A financial asset that meet the following conditions are subsequently measured at fair value through other comprehensive income (FVOCI).

- 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 recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised 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 of, the cumulative gain or loss previously accumulated in this reserve is reclassified to profit or loss.

For the impairment policy on debt instruments at FVTOCI, refer paragraph of Impairment of financial assets.

All other financial assets are subsequently measured at fair value.

Effective interest method

The effective interest method is a method of calculating the amortised 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.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

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

A financial asset that does not meet the amortised cost criteria or FVTOCI criteria (see above) is 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.

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 Company, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

Investments in subsidiaries and associates

Investments in subsidiaries and associates are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries and associates, the difference between net disposal proceeds and the carrying amounts are recognised in the profit or loss. Upon first-time adoption of Ind AS, the Company has elected to measure its investments in subsidiaries and associates at the previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS i.e., 1st April 2016.

Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default

occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial/instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and

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supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

Derecognition of financial assets

The Company derecognises 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.

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 (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise 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.

1.17 Financial liabilities

Classification as debt or equity

Debt and equity instruments issued by a 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.

Financial liabilities

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

Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised 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.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

are discharged, cancelled or have expired. An exchange 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 derecognised and the consideration paid and payable is recognised in profit or loss.

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 'Finance Costs' line item.

1.18 Derivative Financial Instrument and Hedge Accounting:

The Company enters into forward exchange contracts to hedge against its foreign currency exposures relating to the firm commitments. The Company does not enter into any derivative instruments for trading or speculative purposes.

Recognition and measurement of fair value hedge:

Derivative financial instrument is initially recognised at fair value on the date on which a derivative contract is entered into and is subsequently measured at fair value at each reporting date. Gain or loss arising from changes in the fair value of derivative financial instrument is recognised in the Statement of Profit and Loss. Derivative financial instrument is recognised as a financial asset in the Balance Sheet if its fair value as at reporting dates is positive as compared to carrying value and as a financial liability if its fair value as at reporting date is negative as compared to carrying value.

1.19 Cash Flow Statement:

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of

transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

1.20 Current versus non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current / non-current classification.

An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

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

1.21 Operating Cycle:

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

1.22 Cash and Cash Equivalents:

The Company considers all highly liquid financial instruments, which are readily convertible into known amount of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents.

1.23 Borrowing Costs:

Borrowing costs attributable to the acquisition, construction or production of qualifying assets, are added to the cost of those assets, up to the date when the assets are ready for their intended use. All other borrowing costs are expensed in the period they occur.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Where the funds used to finance a project form part of general borrowings, the amount capitalised is calculated using a weighted average of rates applicable to relevant general borrowings of the Company during the year.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

1.24 Government grants and Subsidies:

Government grants are recognised when there is a reasonable assurance that the Company will comply with the conditions attached to them and grants will be received.

Government grants are recognised in Statement of Profit and Loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the Balance Sheet and transferred to Statement of Profit and Loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already

incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in Statement Profit and Loss in the period in which they become receivable.

The benefit of a government loan at a below-market rate of interest is treated as a governments grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

1.25 Offsetting of Financial Instruments:

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

1.26 Earnings per Share:

Basic earnings per equity share is computed by dividing the net profit/(loss) attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period.

Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the standalone financial statements by the Board of Directors.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

1.27 Use of Estimates

The preparation of financial statements requires management of the Company to make judgements, estimates and assumptions that affect the reported assets and liabilities, revenue and expenses and disclosures relating to contingent liabilities. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Estimates and underlying assumptions are reviewed by management at each reporting date. Actual results could differ from these estimates. Any revision of these estimates is recognised prospectively in the current and future periods.

Followings are the critical judgements and estimates:

1.27.1 Judgements

(i) Leases

Ind AS 116 -Leases requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

(ii) Income taxes

Significant judgements are involved in determining the provision for income taxes including judgement on whether tax positions are probable of being sustained in tax assessments. A tax assessment can

involve complex issues, which can only be resolved over extended time periods. The recognition of taxes that are subject to certain legal or economic limits or uncertainties is assessed individually by management based on the specific facts and circumstances.

In assessing the realisability of deferred tax assets, management considers whether some portion or all of the deferred tax assets will not be realised. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the Company will realise the benefits of those deductible differences. The amount of the deferred income tax assets considered realisable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

(iii) Provisions and contingent liabilities

The Company exercises judgement in measuring and recognising provisions and the exposures to contingent liabilities related to pending litigation or other outstanding claims subject to negotiated settlement, mediation, government regulation, as well as other contingent liabilities. Judgement is necessary in assessing the likelihood that a pending claim will succeed, or a liability will arise, and to quantify the possible range of the financial settlement. Because of the inherent uncertainty in this evaluation process, actual losses may be different

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

from the originally estimated provision. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

1.27.2 Estimates

(i) Useful lives of property, plant and equipment, and intangible assets

Property, plant and equipment, and intangibles assets represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

(ii) Sales returns

The Company accounts for sales returns accrual by recording an allowance for sales returns concurrent with the recognition of revenue at the time of a product sale. This allowance is based on the Company's estimate of expected sales returns. The estimate of sales returns is determined primarily by the Company's historical experience in the markets in which the Company operates. With respect to established products, the Company considers its historical experience of sales returns, levels of inventory in the distribution channel, estimated shelf life, product discontinuances, price changes of competitive products, and the introduction of competitive new products, to the extent each of these factors impact the Company's business and markets.

(iii) Provision for rebates and discounts

Provisions for rebates, discounts and other deductions are estimated and provided for in the year of sales and recorded as reduction of revenue. Provisions for such rebates and discounts are accrued and estimated based on historical average rate actually claimed over a period of time, current contract prices with customers.

(iv) Expected credit loss

The Company applies Expected Credit Losses ("ECL") model for measurement and recognition of loss allowance on the following:

- Trade receivables and lease receivables.
- Financial assets measured at amortised cost (other than trade receivables and lease receivables).

In accordance with In accordance with Ind AS 109 - Financial Instruments, the Company applies ECL model for measurement and recognition of impairment loss on the trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115 - Revenue from Contracts with Customers.

(v) Accounting for defined benefit plans

In accounting for post-retirement benefits, several statistical and other factors that attempt to anticipate future events are used to calculate plan expenses and liabilities. These factors include expected return on plan assets, discount rate assumptions and rate of future compensation increases. To estimate these factors, actuarial consultants also use estimates such as withdrawal, turnover, and mortality rates which require significant judgement. The actuarial assumptions used by the Company may differ materially from actual results in future periods due to changing market and economic conditions, regulatory events,

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

judicial rulings, higher or lower withdrawal rates, or longer or shorter participant life spans.

(vi) Impairment of non-financial assets

An impairment loss is recognised for the amount by which an asset's or cash-generating unit's carrying amount exceeds its recoverable amount. To determine the recoverable amount, management estimates expected future cash flows from each asset or cash generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. In the process of measuring expected future cash flows, management makes assumptions about future operating results. These assumptions relate to future events and circumstances. The actual results may vary and may cause significant adjustments to the Company's assets.

In most cases, determining the applicable discount rate involves estimating the appropriate adjustment to market risk and the appropriate adjustment to asset specific risk factors.

(viii) Fair value of financial instruments

Management uses valuation techniques in measuring the fair value of financial instruments where active market quotes are not available. In applying the valuation techniques, management makes maximum use of market inputs and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

(viii) Fair value of assets held for sale

Management uses valuation techniques in measuring the fair value of financial

instruments where active market quotes are not available. In applying the valuation techniques, management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

1.28 Business Combinations

The Company accounts for its business combinations under acquisition method of accounting. Acquisition related costs are recognised in the standalone statement of profit and loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the condition for recognition are recognised at their fair values at the acquisition date.

Purchase consideration paid in excess of the fair value of net assets acquired is recognised as goodwill. Where the fair value of identifiable assets and liabilities exceed the cost of acquisition, after reassessing the fair values of the net assets and contingent liabilities, the excess is recognised as capital reserve.

Business Combination under Common control

Transactions arising from transfers of assets / liabilities, interest in entities or businesses between entities that are under the common control, are accounted at historical carrying amounts. The difference, between any consideration paid / received and the aggregate historical carrying amounts of assets / liabilities and interests in entities acquired / disposed (other than impairment, if any), is recorded in capital reserve / retained earnings, as applicable.

1.29 Goodwill

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Company reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in other comprehensive income (OCI) and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the Company recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquire are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

1.30 Dividend distribution to equity shareholders

The Company recognises a liability to make dividend distributions to its equity holders when the distribution is authorised and the distribution is no longer at its discretion. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

In case of Interim Dividend, the liability is recognised on its declaration by the Board of Directors.

1.31 Non-current assets held for sale/ distribution to owners and discontinued operations

The Company classifies non-current assets (or disposal group) as held for sale if their carrying

amounts will be recovered principally through a sale rather than through continuing use.

Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

The criteria for held for sale classification is regarded met only when the assets is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset,
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately in the balance sheet.

An impairment loss is recognised for any initial or subsequent write-down of the assets to fair value less cost to sell. A gain is recognised for any subsequent increases in the fair value less cost to sell of an assets but not in excess of the cumulative impairment loss previously recognised, A gain or loss previously not recognised by the date of sale of the non-current assets is recognised on the date of de-recognition.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

Property, plant and equipment and intangible assets once classified as held for sale/ distribution to owners are not depreciated or amortised.

A discontinued operation qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- Represents a separate major line of business or geographical area of operations,
- Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations; or
- Is a subsidiary acquired exclusively with a view to resale

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss.

1.32 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

1.33 Research and Development

Research expenditure is recognised as an expense when it is incurred. Development costs are capitalised only after the technical and commercial feasibility of the asset for sale or use has been established. Thereafter, all directly attributable expenditure incurred to prepare the asset for its intended use are recognised as the cost of such assets. Internally generated brands and customer lists are not recognised as intangible assets.

1.34 Recent Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31st March 2023,

MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from 1st April 2023, as below:

Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

2. PROPERTY, PLANT AND EQUIPMENT

(₹ in million)

	Land (Freehold)	Factory Building	Office Building	Plant & Machinery	Furniture & Fixture	Office Equipment	Vehicles	Total
Balance as at 31st March 2021	1,681.88	1,730.57	159.88	4,857.22	94.45	66.27	94.53	8,684.80
Addition on Common Control	33.79	45.39	-	286.26	0.30	1.47	12.19	379.40
Additions	83.35	68.04	0.14	476.97	3.06	12.47	42.33	686.36
Asset reclassified as held for sale	75.77	-	-	-	-	-	-	75.77
Disposals	1.05	2.23	-	21.60	-	0.04	6.58	31.50
Balance as at 31st March 2022	1,722.20	1,841.77	160.02	5,598.85	97.81	80.17	142.47	9,643.29
Additions	25.66	4.04	-	2,054.49	2.41	10.82	8.14	2,105.56
Disposals	0.15	-	-	84.55	-	0.44	2.98	88.12
Balance as at 31st March 2023	1,747.71	1,845.81	160.02	7,568.79	100.22	90.55	147.63	11,660.73

(₹ in million)

	Land (Freehold)	Factory Building	Office Building	Plant & Machinery	Furniture & Fixture	Office Equipment	Vehicles	Total
Accumulated Depreciation								
Balance as at 31st March 2021	-	196.88	5.88	832.70	18.66	32.06	31.03	1,117.21
Addition on Common Control	-	7.58	-	61.64	0.07	0.54	4.53	74.36
Additions	-	59.06	2.54	355.87	8.51	14.08	13.78	453.84
Disposals	-	0.58	-	6.88	-	0.03	3.56	11.05
Balance as at 31st March 2022	-	262.94	8.42	1,243.33	27.24	46.65	45.78	1,634.36
Additions	-	60.58	2.54	411.83	8.82	14.22	16.12	514.11
Disposals	-	-	-	2.72	-	0.28	1.23	4.23
Balance as at 31st March 2023	-	323.52	10.96	1,652.44	36.06	60.59	60.67	2,144.24
Net Block								
Balance as at 31st March 2022	1,722.20	1,578.83	151.60	4,355.52	70.57	33.52	96.69	8,008.93
Balance as at 31st March 2023	1,747.71	1,522.29	149.06	5,916.35	64.16	29.96	86.96	9,516.49

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

3. RIGHT OF USE ASSETS

(₹ in million)

Particulars	Plant & Machinery
GROSS CARRYING VALUE	
At 31st March 2021	-
Addition during the year	-
At 31st March 2022	-
Addition during the year	10.96
At 31st March 2023	10.96
ACCUMULATED DEPRECIATION	
At 31st March 2021	-
Depreciation Expense	-
At 31st March 2022	-
Depreciation Expense	5.48
At 31st March 2023	5.48
Net Carrying Value as at 31st March 2023	5.48

4 CAPITAL WORK-IN-PROGRESS

(₹ in million)

Particulars	As at 31st March 2023	As at 31st March 2022
Opening Balance	695.29	44.85
Addition on Common Control (refer Note 46)	-	0.76
Addition during the Year*	3,234.42	946.08
Capitalised during the Year	1,995.04	296.41
Closing Balance	1,934.67	695.29

(a) Capital Work in Progress (CWIP) Ageing Schedule as on 31st March 2023:

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	1,178.69	282.28	14.88	-	1,475.85
Projects temporarily suspended	362.34	96.48	-	-	458.82
Total	1,541.03	378.76	14.88	-	1,934.67

(b) Capital Work in Progress (CWIP) Ageing Schedule as on 31st March 2022:

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	680.31	14.98	-	-	695.29
Projects temporarily suspended	-	-	-	-	-
Total	680.31	14.98	-	-	695.29

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

(c) The Company has Capital-work-in progress, whose completion is overdue compared to its original plan. The details of which are given below.

CWIP	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects temporarily suspended					
Sulphuric Acid Plant at Saykha	-	-	-	458.82	458.82

There were no CWIP assets where completion was overdue against original planned timelines or where estimated cost exceeded its original plant cost as on 31st March 2022.

* Addition during the year includes borrowing cost of ₹ 137.41 million (P.Y. ₹13.61 million)

5. INTANGIBLE ASSETS

(₹ in million)

	Goodwill	Other Intangibles			Total
		Computer Software	Membership Fees	Website	
Balance as at 31st March 2021	22.58	10.20	8.93	0.00	19.13
Addition on Common Control	0.00	0.01	0.00	0.00	0.01
Additions	0.00	0.46	0.00	0.00	0.46
Disposals	0.00	0.00	0.00	0.00	0.00
Balance as at 31st March 2022	22.58	10.67	8.93	0.00	19.60
Additions	0.00	2.33	0.00	0.00	2.33
Disposals	0.00	0.00	0.00	0.00	0.00
Balance as at 31st March 2023	22.58	13.00	8.93	0.00	21.93
Accumulated Amortisation					
Balance as at 31st March 2021	0.00	5.77	7.15	0.00	12.92
Addition on Common Control	0.00	0.01	0.00	0.00	0.01
Additions	0.00	1.47	0.40	0.00	1.87
Disposals	0.00	0.00	0.00	0.00	0.00
Balance as at 31st March 2022	0.00	7.25	7.55	0.00	14.80
Additions	0.00	1.59	0.40	0.00	1.99
Disposals	0.00	0.00	0.00	0.00	0.00
Balance as at 31st March 2023	0.00	8.84	7.95	0.00	16.79
Net Block					
Balance as at 31st March 2022	22.58	3.42	1.38	0.00	4.80
Balance as at 31st March 2023	22.58	4.16	0.98	0.00	5.14

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

6. INVESTMENTS (NON-CURRENT)

(₹ in million)

Particulars	As at 31st March 2023	As at 31st March 2022
Quoted		
Investments in Equity Instruments - carried at FVTPL		
100 (P.Y. : 100) Equity Shares of Beta Naphthol Ltd. of ₹ 10/- Each Fully Paid Up *	-	-
6,500 (P.Y. : 6,500) Equity Shares of Bhageria Industries Ltd. of ₹ 5/- Each Fully Paid Up	0.77	1.45
	0.77	1.45
Less : Impairment Loss*	-	-
Total of Investments in Equity Instruments	0.77	1.45
Total of Quoted Investments	0.77	1.45
* Provision for impairment loss on 100 Equity Shares of Beta Naphthol Ltd. of ₹ 10/- Each Fully Paid Up		
Unquoted		
Investments in Equity Instruments		
Investment in Subsidiaries - carried at Cost		
10,000 (P.Y. : 10,000) Equity Shares of Bodal Chemicals Trading Pvt. Ltd. of ₹ 10/- Each Fully Paid Up.	0.10	0.10
Bodal Chemicals Trading (Shijiazhuang) Co. Ltd.	20.57	20.57
25,00,000 (P.Y. : Nil) Equity Shares of PT Bodal Indonesia	13.36	-
582 (P.Y. : 582) Equity Shares of Bodal Bangla Ltd.	5.14	5.14
8,26,25,423 (P.Y. : 1,87,00,000) Equity Shares of Sen-er Boya Kimya Tekstil Sanayi Ve Ticaret Ltd.	962.11	634.42
Advance for Purchase of Share of Subsidiary - Sen-er Boya Kimya Tekstil Sanayi Ve Ticaret Ltd.	-	327.69
Investment in Associate - carried at Cost		
2,500 (P.Y. : 2,500) Equity Shares of Plutoeco Enviro Association of ₹ 10/- Each Fully Paid Up (Refer Note 42)	0.03	0.03
Investments in Other Entities		
250 (P.Y. : 250) Equity Shares of Green Environment Ser. Co-op.Soc. Ltd. of ₹ 100/- each Fully Paid Up	0.03	0.03
1,02,350 (P.Y. : 1,02,350) Equity Shares of BEIL Infrastructure Ltd of ₹ 10/-each Fully Paid Up	1.02	1.02
100 (P.Y. : 100) Equity Shares of Guj.Ind. Waste Mng. Co. Ltd. of ₹ 10/- Each Fully Paid Up*	-	-
10 (P.Y. : 10) Equity Shares of The Bhagyodaya Co-op. Bank Ltd. of ₹ 100/- Each Fully Paid Up	-	-
NIL (P.Y. : 10,200) Equity Shares of Panoli Enviro Technology Ltd. of ₹ 10/- Each Fully Paid Up	-	0.10
3,542 (P.Y. : 3,542) Equity Shares of Makarpura Ind.Est. Co-op. Bank Ltd. of ₹ 25/- Each Fully Paid Up	0.09	0.09
Total of Investments in Equity Instruments (Unquoted)	1,002.45	989.19

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

(₹ in million)

Particulars	As at 31st March 2023	As at 31st March 2022
Less : Impairment Loss*	-	-
Total of Unquoted Investments	1,002.45	989.19
Total of Non-Current Investments	1,003.22	990.64

* Provision for impairment loss on 100 Equity Shares of Guj.Ind. Waste Mng. Co. Ltd. of ₹ 10/- Each Fully Paid Up

- 6.1** During the year the Company has added ₹ 13.36 million as Capital in PT Bodal Indonesia (wholly owned subsidiary of the Company).
- 6.2** During the year the Company has added ₹ 316.48 million as Capital in Sen-Er Boya Kimya Tekstil San.Tic. Ltd. Accordingly Sen-er becomes wholly owned subsidiary of the Company.

7. LOANS (NON-CURRENT)

(₹ in million)

Particulars	As at 31st March 2023	As at 31st March 2022
(Unsecured and Considered Good)		
Loans to Employees	30.30	17.21
Total	30.30	17.21

8. OTHER FINANCIAL ASSETS (NON-CURRENT)

(₹ in million)

Particulars	As at 31st March 2023	As at 31st March 2022
Security Deposits	186.60	136.76
Margin Money Deposits with Bank with maturity after twelve months from the reporting date*	77.41	35.87
Total	264.01	172.63

* Held as lien by bank against bank guarantees and letters of credit.

9. OTHER NON-CURRENT ASSETS

(₹ in million)

Particulars	As at 31st March 2023	As at 31st March 2022
(Unsecured and Considered Good)		
Capital Advances	640.07	609.13
Balance with Statutory Authorities	7.27	7.49
Prepaid Expenses	1.36	1.02
Gratuity Plan Assets (Net)	5.25	-
Total	653.95	617.64

9.1 Capital Advances include ₹ 14.95 million (P.Y. : ₹ 14.43 million) to related parties. (refer note 38)

9.2 Balance with statutory authorities includes balances with GST, Excise, Service Tax, Sales Tax, Customs Dept. etc.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

10. INVENTORIES

(₹ in million)

Particulars	As at 31st March 2023	As at 31st March 2022
(Valued at the lower of Cost or Net Realisable Value)		
a) Raw Materials	537.10	1,354.82
Raw Materials in Transit	23.80	42.02
	560.90	1,396.84
b) Finished Goods	535.28	619.10
Finished Goods in Transit	130.86	160.31
	666.14	779.41
c) Stock In Process	1,317.56	1,867.14
	1,317.56	1,867.14
d) Stock In Trade	1.36	2.68
	1.36	2.68
e) Packing Materials	14.82	20.52
Packing Materials in Transit	0.13	0.39
	14.95	20.91
f) Stock of Fuel	13.52	32.64
Fuel in Transit	0.75	0.68
	14.27	33.32
g) Stores and Spares	173.81	195.32
Stores and spares in Transit	0.63	2.79
	174.44	198.11
Total	2,749.62	4,298.41

11. TRADE RECEIVABLES

(₹ in million)

Particulars	As at 31st March 2023	As at 31st March 2022
Trade receivables		
Secured & Considered Good	3.51	4.35
Unsecured & Considered Good	4,069.59	5,400.11
Less : Allowance for Impairment (refer note 34)	(5.48)	(3.61)
Total	4,067.62	5,400.85
Customers Bill Discounted	621.19	997.98
Other Trade Receivables	3,446.43	4,402.87
Total	4,067.62	5,400.85

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

11.1 Trade Receivables include ₹ 250.22 million (P.Y.: ₹ 40.19 million) to related parties. (refer note 38)

(a) Trade Receivables Ageing Schedule as on 31st March 2023:

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 Months - 1 Year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	3,578.17	233.80	168.78	77.93	14.42	4,073.10
ii) Undisputed Trade Receivables – which have a significant increase in credit risk.	-	-	-	-	-	-
iii) Undisputed Trade Receivables – credit impaired.	-	-	-	-	-	-
(i) Disputed Trade receivables – considered good	-	-	-	-	-	-
ii) Disputed Trade Receivables – which have a significant increase in credit risk.	-	-	-	-	-	-
iii) Disputed Trade Receivables – credit impaired.	-	-	-	-	-	-
	3,578.17	233.80	168.78	77.93	14.42	4,073.10
Less : Allowances for Credit Losses						5.48
Trade Receivables						4,067.62

(b) Trade Receivables Ageing Schedule as on 31st March 2022:

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 Months - 1 Year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	5,254.47	24.32	10.77	2.42	112.48	5,404.46
ii) Undisputed Trade Receivables – which have a significant increase in credit risk.	-	-	-	-	-	-
iii) Undisputed Trade Receivables – credit impaired.	-	-	-	-	-	-
(i) Disputed Trade receivables – considered good	-	-	-	-	-	-
ii) Disputed Trade Receivables – which have a significant increase in credit risk.	-	-	-	-	-	-
iii) Disputed Trade Receivables – credit impaired.	-	-	-	-	-	-
	5,254.47	24.32	10.77	2.42	112.48	5,404.46
Less : Allowances for Credit Losses						3.61
Trade Receivables						5,400.85

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

12. CASH AND BANK BALANCES

(₹ in million)

Particulars	As at 31st March 2023	As at 31st March 2022
Cash & Cash Equivalents		
Cash on Hand	2.24	2.40
Balance with Banks in Current Accounts	45.47	35.58
Total	47.71	37.98

13. OTHER BANK BALANCES

(₹ in million)

Particulars	As at 31st March 2023	As at 31st March 2022
Margin Money Deposits with Bank*	14.75	54.55
Unclaimed Dividend Accounts	3.99	3.93
Total	18.74	58.48

* Held as lien by bank against bank guarantees and letters of credit.

14. LOANS (CURRENT)

(₹ in million)

Particulars	As at 31st March 2023	As at 31st March 2022
(Unsecured & Considered good)		
Loans to Employees	22.60	47.82
Total	22.60	47.82

15. OTHER FINANCIAL ASSETS (CURRENT)

(₹ in million)

Particulars	As at 31st March 2023	As at 31st March 2022
Derivative Assets	4.70	-
Security Deposits	0.30	0.95
Other Receivables	34.01	10.62
Total	39.01	11.57

15.1 Other receivables include accrued interest on deposits and other claim receivables.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

16. OTHER CURRENT ASSETS

(₹ in million)

Particulars	As at 31st March 2023	As at 31st March 2022
Export Incentives Receivables	21.53	87.02
Advance to Suppliers	508.31	201.46
Balance with Statutory Authorities	446.29	305.53
Pre-paid Expenses	35.59	35.96
Gratuity Planned Assets (Net)	12.86	1.85
Others	9.82	13.15
Total	1,034.40	644.97

16.1 Balance with statutory authorities includes balances with GST, Customs, etc.

16.2 Others include Tour Advances, Discount Receivable, etc.

16.3 Advance to Suppliers include ₹ 1.52 million (P.Y. : ₹ 0.66 million) to related parties. (refer note 38)

17. EQUITY SHARE CAPITAL

(₹ in million)

Particulars	As at 31st March 2023	As at 31st March 2022
Authorised Share Capital		
21,82,50,000 (P.Y. : 21,00,00,000) Equity Shares of ₹ 2/- each	436.50	420.00
2,75,00,000 (P.Y. : 2,75,00,000) Preference Share of ₹ 10/- each	275.00	275.00
	711.50	695.00
Issued, Subscribed & Paid up Share Capital		
12,56,23,465 (P.Y. : 12,24,81,665) Equity Shares of ₹ 2/- each	251.25	244.96
Total	251.25	244.96

17.1 Pursuant to the Scheme of Amalgamation u/s 230 to 233 and other applicable Provisions of the Companies Act, 2013, Pursuant to the Scheme of amalgamation of SPS Processors Pvt. Ltd. (Transferor Company) with Bodal Chemicals Ltd ("the Company"), with effect from 1st April 2021 (appointed date), as approved by the Hon'ble NCLT, Ahmedabad Bench vide its order dated 2nd November 2022; Authorised Share Capital of SPS Processors Pvt. Ltd. of ₹ 1,65,00,000/- has been added in the Authorised Share Capital of the Company.

17.2 Reconciliation of the number of Shares

(₹ in million)

Particulars	As at 31st March 2023	As at 31st March 2022
	No. of Shares	No. of Shares
Equity Shares		
Opening balance	12,24,81,665	12,23,30,165
Issue of Shares under Common Control (refer Note 46)	29,70,700	-
Issue of Shares under ESOP (refer Note 45)	1,71,100	1,51,500
Closing balance	12,56,23,465	12,24,81,665

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

17.3 Rights, preferences and restrictions attached to shares

Equity shares

The Company has only one class of equity shares having a par value of ₹ 2/- per share. Each shareholder is eligible for one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding. The dividend proposed by the board of directors is subject to the approval of the shareholders in the ensuing annual general meeting, except in case of interim dividend.

Preference shares

The Company has only one class of non-convertible, non-cumulative redeemable preference shares having a par value of ₹ 10/- per share. Each shareholder shall have a right to attend general meeting of the Company and vote on resolutions directly affecting their interest. In the event of liquidation, the preference shareholders shall be entitled to a preferential right of return of the amount paid up on the shares, but shall not have any further right or claim over the surplus asset of the Company. The holder of these shares shall be entitled to receive dividend at fixed rate i.e. @ 9% on paid up value of shares subject to declaration of dividend by the Company but do not have right to participate in surplus profit.

17.4 Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company.

(₹ in million)

Name of Shareholder	As at 31st March 2023		As at 31st March 2022	
	No. of Shares	% held	No. of Shares	% held
Equity Shares :				
Shri Suresh J. Patel	3,71,12,857	29.54	3,71,12,857	30.30
Shri Bhavin S. Patel	1,04,96,342	8.36	1,04,96,342	8.57
Shri Ankit S. Patel	72,61,072	5.78	72,61,072	5.93
Shakuntala J Patel	66,64,740	5.31	66,64,740	5.44
Samyaktva Construction LLP	57,50,000	4.58	67,50,000	5.51

17.5 Promoters' Shareholding as on 31st March 2023

Shares held by promoters at the end of the year

Promoter's Name	No. of Shares	% of Total Shares	% Change during the Year
1. Suresh J. Patel	3,71,12,857	29.54	(0.76)
2. Bhavin S. Patel	1,04,96,342	8.36	(0.21)
3. Ankit S. Patel	72,61,072	5.78	(0.15)
4. Meenaben S. Patel	52,28,960	4.16	(0.11)
5. Ramesh P. Patel	3,85,299	0.31	-
6. Rakesh R. Patel	44,442	0.04	-
7. Bansibhai M. Patel	31,680	0.03	-
8. Ramesh Prabodhchandra Patel HUF	24,390	0.02	-
9. Shakuntala J. Patel	66,64,740	5.31	(0.13)
10. Ramesh D. Patel	49,45,880	3.94	(0.10)

*During the financial year, holding of Promoter and promoter group of the Company remains same by number of shares but due to allotment of shares under common control and ESOP, percentage of their shareholding is changed.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

17.6 Promoters' Shareholding as on 31st March 2022

Shares held by promoters at the end of the year

Promoter's Name	No. of Shares	% of Total Shares	% Change during the Year
1. Suresh J. Patel	3,71,12,857	30.30	(0.04)
2. Bhavin S. Patel	1,04,96,342	8.57	(0.01)
3. Ankit S. Patel	72,61,072	5.93	(0.01)
4. Meenaben S. Patel	52,28,960	4.27	-
5. Ramesh P. Patel	3,85,299	0.31	-
6. Rakesh R. Patel	44,442	0.04	-
7. Bansibhai M. Patel	31,680	0.03	-
8. Ramesh Prabodhchandra Patel HUF	24,390	0.02	-
9. Shakuntala J. Patel	66,64,740	5.44	(0.01)
10. Ramesh D. Patel	49,45,880	4.04	-

*During the financial year, holding of Promoter and promoter group of the Company remains same by number of shares but due to allotment of shares under ESOP, percentage of their shareholding is changed.

17.7 The Board of directors has recommended a final dividend of ₹ 0.10 (PY. : ₹ 0.80) per equity share for the financial year ended 31st March 2023. The proposal is subject to the approval of shareholders at the annual general meeting and hence is not recognised as a liability.

18. OTHER EQUITY

(₹ in million)

Particulars	As at 31st March 2023	As at 31st March 2022
Capital Reserves		
At the commencement of the year	562.53	568.56
Add : Addition due to Common Control	-	0.19
Add : Adjustment due to Common Control (refer Note 46)	-	(6.22)
At the end of the year	562.53	562.53
Capital Redemption Reserve	289.67	289.67
Securities Premium		
At the commencement of the year	2,417.44	2,406.17
Add : Premium on shares issued under ESOP	18.17	11.27
At the end of the year	2,435.61	2,417.44
Employee Stock Options Outstanding Account (refer note 45)	13.50	11.32
General Reserve	138.86	138.86
Share Capital to be issued under Common Control (refer Note 46)	-	5.94
Retained Earnings		
At the commencement of the year	7,358.84	6,256.59
Add : Addition due to Common Control (refer Note 46)	-	(47.39)
Add : Profit during the year	311.43	1,242.64
Add : Remeasurements of Net Defined Benefit Plans (Net of tax)	0.92	4.98
	7,671.19	7,456.82
Less : Appropriations :		
Dividend on Equity Shares	98.12	97.98
At the end of the year	7,573.07	7,358.84
Total	11,013.24	10,784.60

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

18.1 Nature and purpose of Reserves

Capital Reserves

The Company recognised profit or loss on sale, issue, purchase or cancellation of the Company's own equity instruments to capital reserve. Capital reserve may be used by the Company only for some specific purpose.

Capital Redemption Reserve

Capital redemption reserve created during redemption of Preference Shares and it is a non-distributable reserve.

Securities Premium

Securities Premium has been created consequent to issue of shares at premium. These reserves can be utilised in accordance with Section 52 of the Companies Act, 2013.

Employee Stock Options Outstanding Account

The fair value of the equity-settled share based payment transactions is recognised in Statement of Profit and Loss with corresponding credit to Employee Stock Options Outstanding Account.

General Reserve

General reserve is created from time to time by way of transfer profits from retained earnings for appropriation purposes.

Retained Earnings

Retained earnings represents the amount of profits of the Company earned till date net of appropriation that can be distributed by the Company as dividends considering the requirements of the Companies Act, 2013.

19. BORROWINGS (NON-CURRENT)

Particulars	(₹ in million)	
	As at 31st March 2023	As at 31st March 2022
Secured		
Term loan from Banks	3,618.33	2,137.37
Total	3,618.33	2,137.37

19.1 Nature of security and terms of repayment for non-current secured borrowings:

The HDFC term loan amounting to ₹ 1,375.99 million (P. Y. : ₹ 1,064.00 million) carries an interest rate of 9.20% (P. Y. 6.70%)

The EXIM term loan amounting to ₹ 946.29 million (P. Y.: ₹ 946.04 million) carries an interest rate of 8.05% (P.Y. 6.75%)

The term loan payable to Union bank for Saykha Project amounting to ₹ 342.58 million (P.Y. : ₹ 127.32 million) carries an interest rate of 8.25% (P.Y. 7.25%)

The term loan payable to Union bank for SCC project amounting to ₹ 402.25 million (P.Y. : ₹ NIL) carries an interest rate of 8.65% (P.Y. NIL)

The term loan payable to Indian bank amounting to ₹ 1034.86 million (P.Y. NIL) carries an interest rate of 8.10% (P.Y. NIL)

The EXIM term loan amounting to ₹ 187.00 million (P. Y. NIL) carries an interest rate of 8.60%

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

19.2 These facilities are secured by first paripassu mortgage /hypothecation and charge on all the Company's movable and immovable properties created or acquired at

- i) Unit VII - Block No. 804, Village - Dudhwada, Ta. Padra, Dist. Vadodara, Gujarat
- ii) Unit VIII - Block No. 106,108, Village: Ekalbara, Ta. Padra, Dist. Vadodara, Gujarat
- iii) Unit X - Plot No. 525, Village: Dudhwada, Ta: Padra, Dist. Vadodara, Gujarat
- iv) Saykha - Plant / Unit at Saykha project
- v) Plant / Unit at SIEL Chemical complex

A second paripassu charge on all Company's current assets and receivables, including book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature and wherever arising, present and future

The loan is repayable in 23 quarterly instalments, the first instalment payable in June 2023 and the last instalment payable in December 2028.

19.3 Current Maturities of Long Term Borrowings (Refer Note 20) of ₹ 670.65 million (P.Y. : Nil)

20. BORROWINGS (CURRENT)

Particulars	(₹ in million)	
	As at 31st March 2023	As at 31st March 2022
Secured		
Repayable on Demand		
Working Capital Loans from Banks	2,247.29	2,126.51
Borrowing Bill Discounted (Secured)	621.19	997.98
Current Maturities of Long Term Debt	670.65	-
Unsecured		
Working Capital Loans from Banks	383.70	639.99
Commercial Papers	-	500.00
Loans From Directors	0.23	0.24
Total	3,923.06	4,264.72
Borrowings - Others	3,301.87	3,266.74
Borrowings - Customers Bill Discounted	621.19	997.98
Total	3,923.06	4,264.72

20.1 Secured Loan : Working capital loans from banks are secured by hypothecation of inventories, book debts and bills drawn under letters of credit and confirmed contracts and collaterally secured by equitable mortgage of immovable property and hypothecation of Plant & Machinery of Unit-7, Unit-8 and Unit-10 of the Company.

Rate of interest is from 3.56% to 9.05% (P.Y. 0.38% to 7.60%)

20.2 Maximum amount outstanding towards Commercial Papers is ₹ NIL (P.Y. : 500 million)

20.3 There were no discrepancies between the quarterly returns/statements submitted to bank for current assets given as security and the books of account for the respective quarter.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

21. TRADE PAYABLES

(₹ in million)

Particulars	As at 31st March 2023	As at 31st March 2022
(a) Total outstanding dues of Micro Enterprises and Small Enterprises	100.05	99.43
(b) Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	1,783.67	2,446.28
Total	1,883.72	2,545.71

21.1 Trade Payables include ₹ 2.29 million (P.Y. : ₹ 63.03 million) to related parties (refer note 38)

(a) Trade Payables Ageing Schedule as on 31st March 2023:

(₹ in million)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	100.05	-	-	-	100.05
(ii) Others - billed	1,220.71	2.22	3.21	1.79	1,227.93
(iii) Others - unbilled	555.74	-	-	-	555.74
(iv) Disputed Dues - MSME	-	-	-	-	-
(v) Disputed Dues - Others	-	-	-	-	-
Total	1,876.50	2.22	3.21	1.79	1,883.72

(b) Trade Payables Ageing Schedule as on 31st March 2022:

(₹ in million)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	99.40	0.01	0.00	0.02	99.43
(ii) Others - billed	2,072.92	6.53	1.32	2.93	2,083.71
(iii) Others - unbilled	362.57	-	-	-	362.57
(iii) Disputed Dues - MSME	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-
Total	2,534.89	6.54	1.33	2.95	2,545.71

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

22. OTHER FINANCIAL LIABILITIES (CURRENT)

(₹ in million)

Particulars	As at 31st March 2023	As at 31st March 2022
Unclaimed Dividends	3.99	3.93
Trade Deposits	19.69	19.87
Payable for Property, Plant and Equipments	183.47	181.54
Payable for Investments	-	316.49
Derivative Liabilities	-	0.06
Other Payables	5.15	13.56
Total	212.30	535.45

22.1 Other Payables include interest payable and payable to employees.

23. OTHER CURRENT LIABILITIES

(₹ in million)

Particulars	As at 31st March 2023	As at 31st March 2022
Advance Received from Customers	47.28	27.33
Statutory Liabilities	67.32	131.37
Other Liabilities	0.02	0.03
Total	114.62	158.73

23.1 Advance Received include ₹ 3.29 million (P.Y. : ₹ 38.00 million) to related parties (refer note 38)

23.2 Statutory liabilities represent amounts payable towards GST, TDS, PF, ESIC etc.

24. REVENUE FROM OPERATIONS

(₹ in million)

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Sale of Products	15,253.16	19,869.93
Other Operating Income		
Export Incentives	114.75	192.47
Scrap Sales	34.27	35.40
Other Operating Income	149.04	10.50
Total	298.06	238.37
Total Revenue From Operations	15,551.22	20,108.30

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

25. OTHER INCOME

(₹ in million)

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Interest Income		
On Deposits	4.80	2.84
On Insurance Claim	6.01	-
On Others*	33.58	24.19
Profit on Sale of Current Investments (Net)	0.43	40.10
Fair Value Gain / (Loss) on Investments measured through profit or loss	3.18	0.42
Profit on Sale of Property, Plant & Equipment (Net)	13.59	7.05
Dividend Income	0.28	1.68
Liabilities no Longer Required Written Back	0.14	0.03
Other Income	17.79	2.25
Total	79.80	78.56

* Other interest income includes interest income on income tax refund of ₹ 17.63 million (P.Y. Nil); interest received from Subsidiaries of ₹ Nil (P.Y. : ₹ 8.70 million); from Electricity Companies of ₹ 6.56 million (P.Y. : ₹ 5.99 million), etc.

26. COST OF MATERIALS CONSUMED

(₹ in million)

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Opening Stock - Raw Materials	1,396.84	733.24
Add : Addition due to Common Control	-	62.31
Add: Purchases during the year	7,495.09	12,705.13
	8,891.93	13,500.68
Less : Closing Stock - Raw Materials	560.90	1,396.84
Total	8,331.03	12,103.84

27. PURCHASE OF STOCK IN TRADE

(₹ in million)

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Purchase of Stock in Trade	0.29	2.08
Total	0.29	2.08

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

28. CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK IN PROCESS & STOCK IN TRADE

(₹ in million)

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Inventories at the end of the year		
Finished Goods	666.14	779.41
Stock In Process	1,317.56	1,867.14
Stock - in Trade	1.36	2.68
Total (A)	1,985.06	2,649.23
Inventories at the beginning of the year		
Finished Goods	779.41	668.11
Stock In Process	1,867.14	992.01
Stock - in Trade	2.68	2.66
Total (B)	2,649.23	1,662.78
Add : Addition due to Common Control		
Finished Goods	-	3.98
Stock In Process	-	28.04
Total (C)	-	32.02
Changes in Inventories	664.17	(954.43)

29. EMPLOYEE BENEFIT EXPENSES

(₹ in million)

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Salaries, Wages & Bonus	778.95	958.75
Contribution to Provident & Other Funds (refer note 40)	52.98	50.07
Employee Share Based Payments (refer note 45)	18.98	(0.59)
Staff Welfare Expenses	67.93	66.91
Total	918.84	1,075.14

30. FINANCE COSTS

(₹ in million)

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Other Interest Expenses	325.71	191.43
Interest Expense on Lease Liability	0.73	-
Loan Processing Fees & Bank Charges	17.63	18.52
Total	344.07	209.95

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

31. DEPRECIATION AND AMORTISATION EXPENSE

(₹ in million)

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Depreciation on Tangible Assets (refer note 2)	514.11	453.84
Depreciation of Right of Use of Assets (refer note 3)	5.48	-
Amortisation on Intangible Assets (refer note 5)	1.99	1.87
Total	521.58	455.71

32. OTHER EXPENSES

(₹ in million)

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Stores Consumption	312.57	486.19
Power & Fuel Consumption	1,969.45	2,554.22
Repairs to		
Machinery	251.37	361.07
Building	40.89	39.59
Others	8.17	7.95
Pollution Control Expenses	165.72	223.42
Chlorine/HCL Disposal Charges	170.51	46.30
Rent & Taxes	21.32	22.60
Labour Charges	270.53	392.69
Insurance Expenses	41.21	38.87
Corporate Social Responsibility Expenses (refer note 44)	22.27	26.16
Directors' Sitting fees	1.15	0.94
Travelling & Vehicle Expense	45.07	40.56
Payment to Auditors (refer note 32.1)	1.95	3.15
Legal & Professional Fees	69.46	98.28
Exchange Rate Difference (Net)	88.87	13.16
Packing Material Consumption	212.55	276.59
Freight & Handling Charges	492.96	618.78
Advertisement & Business Promotion Expenses	8.93	14.46
Sales Commission	79.18	196.97
Impairment Loss under Expected Credit Loss Model	1.87	0.70
Other Expenses	149.53	177.38
Total	4,425.53	5,640.03

32.1 Payment to Auditors include (excluding GST) as below:

(₹ in million)

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
I) As Statutory Auditors	1.95	3.10
II) Certification Matters	-	0.05

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

33 FINANCIAL INSTRUMENTS CLASSIFICATION BY CATEGORY

(₹ in million)

Particulars	As at 31st March 2023	As at 31st March 2022
Financial Assets		
Financial Assets measured at fair value through profit and loss		
Investments	0.77	1.45
Derivative Assets	4.70	-
Financial Assets measured at amortised cost		
Investments	1,002.45	989.19
Loans	52.90	65.03
Trade Receivables	4,067.62	5,400.85
Cash and Cash Equivalents	47.71	37.98
Other Bank Balances	18.74	58.48
Other Financial Assets	298.32	184.20
Total Financial Assets	5,493.21	6,737.18

(₹ in million)

Particulars	As at 31st March 2023	As at 31st March 2022
Financial Liabilities		
Financial Liabilities measured at fair value through profit and loss		
Derivative Liabilities	-	0.06
Financial Liabilities measured at amortised cost		
Borrowings	7,541.39	6,402.09
Lease Liability	5.72	-
Trade Payables	1,883.72	2,545.71
Other Financial Liabilities	212.30	535.39
Total Financial Liabilities	9,643.13	9,483.25

Fair Value Hierarchy

Financial Assets measured at fair value 31st March 2023

(₹ in million)

	Level 1	Level 2	Level 3	Total
Financial Assets				
Measured at fair value through profit or loss				
Investments in quoted equity shares	0.77	-	-	0.77
Derivative Assets	-	4.70	-	4.70

Financial Assets measured at fair value 31st March 2022

	Level 1	Level 2	Level 3	Total
Financial Assets				
Measured at fair value through profit or loss				
Investments in quoted equity shares	1.45	-	-	1.45
Financial Liabilities				
Derivative Liabilities	-	0.06	-	0.06

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

The Company has disclosed financial instruments such as cash and cash equivalents, other bank balances, trade receivables, loans, other financial assets, borrowings, trade payables and other financial liabilities at carrying value because their carrying amounts are a reasonable approximation of the fair values due to their short term nature.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: The fair value of financial instruments that are measured on the basis of entity specific valuations using inputs that are not based on observable market data (unobservable inputs).

Valuation technique used to determine fair value:

Specific valuation techniques used to value financial instruments include:

- ✓ the use of quoted market prices or dealer quotes for similar instruments
- ✓ the fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date
- ✓ The fair value of investments in Mutual Fund Units is based on Net Asset Value (“NAV”) as stated by the issuers of these mutual fund units in the published statements as at the Balance Sheet Date. NAV represents the price at which the issuer will issue further units of Mutual Fund and the price at which issuers will redeem such units from investors.

34 FINANCIAL RISK MANAGEMENT

The Company’s activities expose it to market risk, liquidity risk and credit risk. In order to minimise any adverse effects on the financial performance of the Company, derivative financial instruments, such as foreign exchange forward contracts are entered to hedge certain foreign currency risk exposures. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

This note explains the sources of risk which the Company is exposed to and how the Company manages the risk and the impact of hedge accounting in the financial statements

(A) Credit Risk Management

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises primarily from financial assets such as trade receivables, investment in mutual funds, derivative financial instruments, other balances with banks, loans and other receivables.

Credit risk arising from investment in quoted equity shares, mutual funds, derivative financial instruments and other balances with banks is limited and there is no collateral held against these because the counterparties are banks and recognised financial institutions with high credit ratings assigned by the international credit rating agencies.

The Company is making provision on trade receivables based on Expected Credit Loss Model (ECL) as below:

No. of Days for which amount is due	<=60 Days	61-120 Days	121-180 Days	181-360 Days	>360 Days
% of Provision	0%	0.25%	0.50%	0.75%	1%

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

Reconciliation of loss allowance provision

(₹ in million)

Reconciliation of Loss Allowance	FY 2022-23	FY 2021-22
Opening Balance	3.61	2.91
Recognition of loss allowance measured as per ECL	1.87	0.70
Closing Balance(As reported in Note 11)	5.48	3.61

(B) Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Company treasury maintains flexibility in funding by maintaining availability at all times.

The table below analyses financial liabilities of the Company into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

As at 31st March 2023

(₹ in million)

	Less than 1 year	Between 1-5 years	More than 5 years	Total	Carrying Value
Financial Liabilities					
Borrowings	3,923.06	2,160.89	1,457.44	7,541.39	7,541.39
Lease Liability	5.72	-	-	5.72	5.72
Trade Payables	1,883.72	-	-	1,883.72	1,883.72
Other Financial Liabilities	212.30	-	-	212.30	212.30

As at 31st March 2022

(₹ in million)

	Less than 1 year	Between 1-5 years	More than 5 years	Total	Carrying Value
Financial Liabilities					
Borrowings	4,264.72	2,137.37	-	6,402.09	6,402.09
Trade Payables	2,545.71	-	-	2,545.71	2,545.71
Other Financial Liabilities	535.45	-	-	535.45	535.45

(C) Market Risk Management

i) Foreign Currency Risk

The Company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD and EURO. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Company's functional currency (₹). The risk is measured through a forecast of highly probable foreign currency cash flows.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

(A) Foreign currency risk exposure

(₹ in million)

	31st March 2023			31st March 2022		
	USD	EUR	GBP	USD	EUR	GBP
Financial Assets						
Trade Receivables	9.94	0.04	-	15.67	0.00	-
Financial Liabilities						
Payable for Purchase of Property, Plant and Equipments	0.14	-	-	-	-	-
Trade Payables	4.24	0.00	-	4.90	0.00	0.11
Borrowings	14.68	-	-	20.04	-	-
Net Exposure	(9.13)	0.04	-	(9.26)	0.00	(0.11)

(B) Foreign currency forward contract outstanding as at the Balance Sheet date.

(₹ in million)

	Buy/Sell	As at 31st March 2023	As at 31st March 2022
Forward contact USD	Sell	6.94	1.32
Forward contact EURO	Sell	0.16	-
Forward contact USD	Buy	1.93	-

The forward contracts have been entered into to hedge the foreign currency risk on trade receivables and borrowings.

(C) Sensitivity (+/-5%)

(₹ in million)

	31st March 2023			31st March 2022		
	Movement in Rate	Impact on PAT	Impact on Other Equity	Movement in Rate	Impact on PAT	Impact on Other Equity
USD	5.00%	(34.24)	(34.24)	5.00%	(26.26)	(26.26)
USD	-5.00%	34.24	34.24	-5.00%	26.26	26.26
EUR	5.00%	0.19	0.19	5.00%	0.01	0.01
EUR	-5.00%	(0.19)	(0.19)	-5.00%	(0.01)	(0.01)
GBP	5.00%	-	-	5.00%	(0.40)	(0.40)
GBP	-5.00%	-	-	-5.00%	0.40	0.40

ii) Cash flow and fair value interest rate risk

The Company's interest rate risk arises mainly from borrowings with variable rates, which expose the Company to cash flow interest rate risk. During 31st March 2023 and 31st March 2022, the Company's borrowings at variable rate were mainly denominated in ₹ & USD.

The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

(a) Interest rate risk exposure

(₹ in million)

Particulars	31st March 2023	31st March 2022
Variable Rate borrowings	10,138.14	8,170.61
Fixed Rate Borrowings	83.70	500.00

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

At the end of reporting period the Company had the following variable rate borrowings.

(₹ in million)

	31st March 2023			31st March 2022		
	Average Interest Rate	Balance	%of Total Loan	Average Interest Rate	Balance	%of Total Loan
Cash Credit Facility	7.82%	257.83	2.54%	7.56%	13.28	0.16%
Working Capital Loan Facility	7.33%	1,709.37	16.86%	4.92%	2,232.83	27.33%
Packing Credit Facility	4.01%	421.39	4.16%	1.05%	376.77	4.61%
Buyers Credit Facility	3.44%	158.70	1.57%	0.63%	143.62	1.76%
Bills Discounting Facility	3.56%	3,301.87	32.57%	1.09%	3,266.74	39.98%
Term Loan	7.46%	4,288.98	42.31%	6.75%	2,137.37	26.16%
Net Exposure		10,138.14	100.00%		8,170.61	100.00%

At the end of reporting period the Company had the following fixed rate borrowings.

(₹ in million)

Particulars	31st March 2023			31st March 2022		
	Average Interest Rate	Balance	%of Total Loan	Average Interest Rate	Balance	%of Total Loan
Commercial Paper/Reverse Factoring Facility	7.46%	83.70	100.00%	4.61%	500.00	
Net Exposure		83.70	100.00%		500.00	100.00%

Sensitivity (+/- 1%)

(₹ in million)

Particulars	Movement in Rate	As at	
		31st March 2023	31st March 2022
Interest Rates	1.00%	55.81	44.16
Interest Rates	-1.00%	(55.81)	(44.16)

iii) Security Price Risk

The Company's exposure to securities price risk arises from investments held by the Company and classified in the balance sheet at fair value through profit or loss.

To manage its price risk arising from investments in equity securities, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.

Sensitivity (+/- 5%)

(₹ in million)

Particulars	Investment in Quoted Securities			
	31st March 2023		31st March 2022	
Interest Rates	5%	-5%	5%	-5%
Interest Rates	0.03	(0.03)	0.05	(0.05)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

35 CAPITAL MANAGEMENT

The Company's objectives when managing capital are to

- ✓ safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- ✓ Maintain an optimal capital structure to reduce the cost of capital.

Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio:

Net debt (total borrowings net of cash and cash equivalents) divided by Total 'equity' (as shown in the balance sheet).

(₹ in million)		
Particulars	31st March 2023	31st March 2022
Total Borrowings	7,541.39	6,402.09
Less : Cash and Cash Equivalents	47.71	37.98
Net Debt	7,493.68	6,364.11
Total Equity	11,264.49	11,029.56
Gearing Ratio	0.67	0.58

36 (a) Income Taxes

(₹ in million)		
Particulars	31st March 2023	31st March 2022
Current Tax	48.08	419.33
Taxes of earlier years	(99.70)	(3.94)
Deferred Tax	165.70	(3.49)
Total Tax Expenses (excluding deferred tax benefit on OCI)	114.08	411.90

Reconciliation of tax expenses and the accounting profit multiplied by Tax Rate

(₹ in million)		
Particulars	31st March 2023	31st March 2022
Profit Before Tax	425.51	1,654.54
Statutory Tax Rate (%)	25.168%	25.168%
Tax at Statutory rate	107.09	416.41
Effect of expenses that are not deductible in determining taxable profit	3.78	1.05
Effect of tax on special rate income	(4.25)	(5.88)
Reversal of DTA on amalgamation	78.92	-
Deferred Tax on other comprehensive income	(0.31)	(1.68)
Others	28.55	5.94
	213.78	415.84
Adjustments recognised in the current year in relation to the current tax of prior years	(99.70)	(3.94)
Income tax expense recognised in profit or loss	114.08	411.90
Effective Tax Rate	26.811%	24.895%

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

(b) Non-Current Tax Assets (Net)

Particulars	(₹ in million)	
	31st March 2023	31st March 2022
Non-Current Tax Assets (Net)	140.92	152.08
Total	140.92	152.08

(c) Current Tax Assets (Net)

Particulars	(₹ in million)	
	31st March 2023	31st March 2022
Current Tax Assets (Net)	69.03	-
Total	69.03	-

(d) Deferred Tax Liabilities (Net)

Particulars	(₹ in million)	
	31st March 2023	31st March 2022
Deferred Tax Liabilities		
Property, Plant and Equipment	598.58	520.10
Fair Value of Forward Contracts	1.18	-
Fair Value of Quoted Equity Shares and Mutual Fund	0.08	0.17
Expense claimed for tax purpose on payment basis	2.73	-
Unamortised Loan Processing Fees	1.19	-
Deferred Tax Assets		
Unabsorbed Depreciation & c/f loss	-	(78.92)
Expense claimed for tax purpose on payment basis	-	(6.32)
Allowance for Doubtful Debts	(1.38)	(0.91)
Carried Forward Loss on Sale of Land	(2.27)	-
Fair Value of Forward Contracts	-	(0.02)
Total	600.11	434.10

Movement in deferred tax assets and liabilities for financial year FY 2022-23

Particulars	(₹ in million)			
	As at 1st April 2022	Credit / (charge) in the Statement of Profit and Loss	Credit / (charge) in Other Comprehensive Income	As at 31st March 2023
Deferred Tax Assets/(Liabilities)				
Property, Plant and Equipment	(520.10)	(78.48)	-	(598.58)
Fair Value of Forward Contracts	0.02	(1.20)	-	(1.18)
Expense claimed for tax purpose on payment basis	6.32	(8.74)	(0.31)	(2.73)
Related to carried forward loss and unabsorbed depreciation	78.92	(78.92)		-
Fair Value of Quoted Equity Shares and Mutual Fund	(0.17)	0.09	-	(0.08)
Unamortised Loan Processing Fees	-	(1.19)	-	(1.19)
Carried Forward Loss on Sale of Land		2.27		2.27
Allowance for Doubtful Debts	0.91	0.47	-	1.38
Total	(434.10)	(165.70)	(0.31)	(600.11)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

Movement in deferred tax assets and liabilities for financial year FY 2021-22

(₹ in million)

Particulars	As at 1st April 2021	Addition on Amalgamation	Credit / (charge) in the Statement of Profit and Loss	Credit / (charge) in Other Comprehensive Income	As at 31st March 2022
Deferred Tax Assets/(Liabilities)					
Property, Plant and Equipment	(487.92)	-	(32.18)	-	(520.10)
Fair Value of Forward Contracts	0.17	-	(0.15)	-	0.02
Expense claimed for tax purpose on payment basis	(3.75)	-	11.75	(1.68)	6.32
Related to carried forward loss and unabsorbed depreciation	-	-	78.92	-	78.92
Addition on Amalgamation	-	51.85	(51.85)	-	-
Fair Value of Quoted Equity Shares and Mutual Fund	0.27	-	(0.44)	-	(0.17)
Expenditure covered by section 35D of Income Tax Act, 1961	3.26	-	(3.26)	-	-
Allowance for Doubtful Debts	0.20	-	0.71	-	0.91
Total	(487.77)	51.85	3.50	(1.68)	(434.10)

(e) Current Tax Liabilities (Net)

(₹ in million)

Particulars	31st March 2023	31st March 2022
Current Tax Liabilities (Net)	-	61.81
Total	-	61.81

37 SEGMENT INFORMATION

The Company is engaged in Dyes, Dyes Intermediates and Basic Chemicals. Considering the nature of company's business and operations as well as reviews of operating results by the Chief Operating Decision Makers to make decisions about resource allocation, performance allocation and performance measurement, the Company has identified Dyes, Dyes Intermediates and Basic Chemicals activities as only responsible segment in accordance with the requirements of Ind AS 108 operating segment.

The geographical segment has been considered for disclosure as secondary segment.

Two secondary segments have been identified based on the geographical locations of customers i.e. domestic and export. Information about geographical segments are as below.

1. Information about Geographical Areas

(₹ in million)

Particulars	FY 2022-23			FY 2021-22		
	Domestic Operations	External Operations	Total	Domestic Operations	External Operations	Total
Segment Revenue	10,963.43	4,587.79	15,551.22	14,128.55	5,979.75	20,108.30
Carrying Cost of Segment Assets	20,477.44	1,148.19	21,625.63	19,821.83	1,452.02	21,273.85

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

2. Information about Major Customers

No customers individually accounted for 10% or more revenue during financial year ending on 31st March 2023 and 31st March 2022

Particulars	(₹ in million)	
	31st March 2023	31st March 2022
Revenue from Top Customer	8%	6%
Revenue from Top 5 Customers	18%	18%

38 RELATED PARTY TRANSACTIONS:

(a) List of Related Parties

I. Key Management Personnel (KMP)

1	Shri Suresh J Patel	Chairman & Managing Director
2	Shri Bhavin S. Patel	Executive Director
3	Shri Ankit S. Patel	Executive Director
4	Shri Rajarshi Ghosh	Director
5	Shri Mayur B. Padhya	Chief Financial Officer
6	Shri Ashutosh B. Bhatt	Company Secretary
7	Shri Nalin Kumar	Independent Director
8	Smt. Neha Huddar	Independent Director
9	Shri Sunil K. Mehta	Independent Director (Upto 12th December, 2022)
10	Shri Mayank K. Mehta	Independent Director
11	Shri Rohit Maloo	Independent Director (w.e.f. 12th December, 2022)

II. Enterprise under significant influence of key management personnel (Enterprise)

- 1 Shanti Inorgo Chem (Guj.) Pvt. Ltd.

III. Subsidiary Company (SC)

- 1 Bodal Chemicals Trading Pvt. Ltd.
- 2 Bodal Chemicals Trading (Shijiazhuang) Co., Ltd.
- 3 Bodal Bangla Ltd.
- 4 Sen-er Boya Kimya Tekstil Sanayi Ve Ticaret Ltd.
- 5 Senpa Dis Ticaret Anonim Sirketi (step down subsidiary)
- 6 PT Bodal Chemicals Indonesia (w.e.f. 18th May 2021)

IV. Associate Concern (AC)

- 1 Plutoeco Enviro Association

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

b) Transactions with related parties

(₹ in million)

Related party disclosure	Relationship	FY 2022-23	FY 2021-22
Remuneration			
Shri Suresh J. Patel	KMP	16.20	16.20
Shri Bhavin S. Patel	KMP	10.80	10.80
Shri Ankit S. Patel	KMP	10.80	10.80
Shri Rajarshi Ghosh	KMP	2.31	2.31
Shri Mayur B. Padhya	KMP	5.70	5.91
Shri Ashutosh B. Bhatt	KMP	1.32	1.36
Employees Stock Option			
Shri Mayur B. Padhya	KMP	0.87	0.85
Shri Ashutosh B. Bhatt	KMP	0.24	0.15
Directors' Commission			
Shri Suresh J. Patel	KMP	7.50	57.10
Shri Bhavin S. Patel	KMP	1.25	38.20
Shri Ankit S. Patel	KMP	1.25	38.20
Directors' Sitting Fees			
Shri Nalin Kumar	KMP	0.35	0.27
Smt. Neha Huddar	KMP	0.31	0.24
Shri Sunil K. Mehta	KMP	0.28	0.27
Shri Mayank Mehta	KMP	0.20	0.16
Shri Rohit B. Maloo	KMP	0.01	-
Loan Given			
Sen-er Boya Kimya Tekstil Sanayi Ve Ticaret Ltd.	SC	-	247.18
Capital Advance Given			
Plutoeco Enviro Association	AC	0.52	8.96
Loan Received Back			
Bodal Chemicals Trading Pvt. Ltd.	SC	-	0.88
Conversion of Loan into Advance for Investment			
Sen-er Boya Kimya Tekstil Sanayi Ve Ticaret Ltd.	SC	-	327.69
Loan Received			
Shri Bhavin S. Patel	KMP	2.45	0.60
Shri Ankit S. Patel	KMP	0.99	-
Loan Repaid			
Shri Suresh J. Patel	KMP	-	1.50
Shri Bhavin S. Patel	KMP	2.45	0.60
Shri Ankit S. Patel	KMP	1.00	0.01
Advance Received against sale of Property			
Plutoeco Enviro Association	AC	-	32.00
Purchases of Materials			
Shanti Inorgo Chem (Guj.) Pvt. Ltd.	Enterprise	5.27	8.21
Bodal Chemicals Trading Pvt. Ltd.	SC	0.01	66.53
Dividend Paid			
Shri Suresh J. Patel	KMP	29.69	29.69
Shri Bhavin S. Patel	KMP	8.40	8.40
Shri Ankit S. Patel	KMP	5.81	5.81
Shri Mayur B. Padhya	KMP	0.16	0.15
Shri Ashutosh B. Bhatt	KMP	0.00	0.00

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

(₹ in million)

Related party disclosure	Relationship	FY 2022-23	FY 2021-22
Related party disclosure			
Smt. Neha Huddar	KMP	0.00	0.00
Shri Sunil K. Mehta	KMP	0.16	0.16
Reimbursement of Finance Charges			
Sen-er Boya Kimya Tekstil Sanayi Ve Ticaret Ltd.	SC	-	0.70
Interest Income			
Sen-er Boya Kimya Tekstil Sanayi Ve Ticaret Ltd.	SC	-	8.70
Rent Income			
Bodal Chemicals Trading Pvt. Ltd.	SC	0.36	0.44
Sales of Materials			
Shanti Inorgo Chem (Guj.) Pvt. Ltd.	Enterprise	0.01	9.02
Sen-er Boya Kimya Tekstil Sanayi Ve Ticaret Ltd.	SC	430.81	547.26
Bodal Chemicals Trading (Shijiazhuang) Co., Ltd.	SC	288.84	215.81
PT Bodal Chemicals Indonesia	SC	24.16	-
Sales of Other Materials (Machinery & Spares)			
Shanti Inorgo Chem (Guj.) Pvt. Ltd.	Enterprise	-	1.80
Sales of Land			
Plutoeco Enviro Association	AC	34.71	-
Investment in Equity Shares			
Sen-er Boya Kimya Tekstil Sanayi Ve Ticaret Ltd.	SC	327.69	316.49
Bodal Chemicals Trading (Shijiazhuang) Co., Ltd.	SC	-	7.43
PT Bodal Chemicals Indonesia	SC	13.36	-

c) Related Party Balances as at the year end.

(₹ in million)

Related party disclosure	Relationship	FY 2022-23	FY 2021-22
Related party disclosure			
Amount Payable			
As Unsecured Loan			
Shri Suresh J. Patel	KMP	0.13	0.13
Shri Bhavin S. Patel	KMP	0.02	0.02
Shri Ankit S. Patel	KMP	0.07	0.08
As Advances Received for sale of property			
Plutoeco Enviro Association	AC	3.29	38.00
As Trade Payables			
Shri Suresh J. Patel	KMP	0.44	24.61
Shri Bhavin S. Patel	KMP	0.39	18.28
Shri Ankit S. Patel	KMP	0.96	19.87
Shri Rajarshi Ghosh	KMP	0.14	0.13
Shri Mayur B. Padhya	KMP	0.28	0.06
Shri Ashutosh B. Bhatt	KMP	0.08	0.08
As Investment			
As Equity shares			
Bodal Chemicals Trading Pvt. Ltd.	SC	0.10	0.10
Sen-er Boya Kimya Tekstil Sanayi Ve Ticaret Ltd.	SC	962.11	634.42
Bodal Chemicals Trading (Shijiazhuang) Co., Ltd.	SC	20.57	20.57
Bodal Bangla Ltd.	SC	5.15	5.15
Plutoeco Enviro Association	AC	0.03	0.03
PT Bodal Chemicals Indonesia	SC	13.36	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

(₹ in million)

Related party disclosure	Relationship	FY 2022-23	FY 2021-22
Amounts Receivable			
As Trade Receivables			
Shanti Inorgo Chem (Guj.) Pvt. Ltd.	Enterprise	2.13	2.13
Bodal Chemicals Trading Pvt. Ltd.	SC	0.10	0.02
Sen-er Boya Kimya Tekstil Sanayi Ve Ticaret Ltd.	SC	81.24	0.70
Bodal Chemicals Trading (Shijiazhuang) Co., Ltd.	SC	141.89	37.34
PT Bodal Chemicals Indonesia	SC	24.86	-
As Advance to Suppliers			
Shanti Inorgo Chem (Guj.) Pvt. Ltd.	Enterprise	1.52	0.66
As Capital Advance			
Shanti Inorgo Chem (Guj.) Pvt. Ltd.	Enterprise	3.88	3.88
Plutoeco Enviro Association	AC	11.07	10.55
Advance for investment in equity shares of a subsidiary			
Sen-er Boya Kimya Tekstil Sanayi Ve Ticaret Ltd.	SC	-	327.69
Guarantee given as collateral to bank			
Sen-er Boya Kimya Tekstil Sanayi Ve Ticaret Ltd.	SC	-	200.85

Notes :-

- (i) No amounts pertaining to related parties have been provided for as doubtful debts. Also no amounts have been written off or written back during the year.

39 EARNINGS PER SHARE

(₹ in million)

Particulars	FY 2022-23	FY 2021-22
Net Profit after Tax as per Statement of Profit and Loss (₹ in million)	311.43	1,242.64
Weighted average number of Equity Shares	12,55,44,712	12,54,17,499
Basic EPS (₹)	2.48	9.91
Diluted EPS (₹)	2.48	9.90
Nominal Value per Share (₹)	2	2

39.1 Details used in calculation of Diluted EPS

(₹ in million)

Particulars	FY 2022-23	FY 2021-22
Net Profit after Tax as per Statement of Profit and Loss (₹. in Million)	311.43	1,242.64
Nominal Value per Share (₹)	2	2
Weighted average number of Equity Shares used for Basic EPS	12,55,44,712	12,54,17,499
Share deemed to be issued in respect of employee options	-	63,852
Weighted average number of Equity Shares used for diluted EPS	12,55,44,712	12,54,81,351

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

40 EMPLOYEE BENEFITS

(₹ in million)

Defined Contribution Plan	FY 2022-23	FY 2021-22
Employer's contribution to Provident Fund	41.43	38.84

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits such as compensated absences 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. These are determined actuarially using the projected unit credit method.

(₹ in million)

	FY 2022-23	FY 2021-22
Leave Encashment Expense	14.58	14.71

Post Employment Benefits

Gratuity: The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with Life Insurance Corporation of India in the form of qualifying insurance policy.

The following table sets out the funded status of the gratuity plan and the amounts recognised in the Company's financial statements based on actuarial valuations being carried out As at 31st March 2023.

Balance sheet disclosures

(a) The amounts disclosed in the Balance Sheet and the movements in the defined benefit obligation over the year:

(₹ in million)

Particulars	FY 2022-23	FY 2021-22
Liability at the beginning of the year	109.53	64.51
Addition on Amalgamation	-	1.81
Interest Costs	7.35	5.94
Current Service Costs	12.17	11.66
Liabilities assumed in acquisition of SCC	-	50.96
Benefits paid	(3.29)	(3.78)
Benefits paid by the Company	(9.40)	(14.32)
Actuarial (Gain)/Loss on obligations due to change in		
- Demography	-	-
- Financials	(2.97)	(3.94)
- Experience	0.78	(3.31)
Liability at the end of the year	114.17	109.53

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

(b) Movements in the fair value of plan assets

(₹ in million)

Particulars	FY 2022-23	FY 2021-22
Fair value of plan assets at the beginning of the year	111.38	93.69
Interest Income	7.98	6.38
Expected return on plan assets	(0.96)	(0.59)
Contributions	17.17	15.68
Benefits paid	(3.29)	(3.78)
Fair value of plan assets at the end of the year	132.28	111.38

The entire funds on the plan assets are managed by insurer i.e. Life Insurance Corporation of India.

(c) Net liability disclosed above relates to

(₹ in million)

Particulars	FY 2022-23	FY 2021-22
Fair value of plan assets at the end of the year	132.28	111.38
Liability as at the end of the year	114.17	109.53
Net (Liability)/Asset	18.11	1.85
Non-Current Portion	5.25	-
Current Portion	12.86	1.85

(d) Balance Sheet Reconciliation

(₹ in million)

Particulars	FY 2022-23	FY 2021-22
Opening Net liability / (Asset)	(1.85)	(29.18)
Addition on Amalgamation	-	1.80
Liabilities assumed in acquisition of SCC	-	50.96
- Expenses recognised in the statement of P&L	11.54	11.22
- Expenses recognised in the OCI	(1.23)	(6.66)
- Benefits paid by the Company	(9.40)	(14.31)
- Employer's Contribution	(17.17)	(15.68)
Amount recognised in the Balance Sheet	(18.11)	(1.85)

Profit & Loss Disclosures

(a) Net interest Cost for Current period

(₹ in million)

Particulars	FY 2022-23	FY 2021-22
Interest Cost	7.35	5.94
Interest Income	7.98	6.38
Net interest Cost/(Income)	(0.63)	(0.44)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

(b) Expenses recognised in the profit & loss

Particulars	(₹ in million)	
	FY 2022-23	FY 2021-22
Net Interest Cost	(0.63)	(0.44)
Current Service Costs	12.17	11.66
Expenses recognised in the profit & loss	11.54	11.22

(c) Expenses recognised in the Other Comprehensive Income

Particulars	(₹ in million)	
	FY 2022-23	FY 2021-22
Remeasurement		
Expected return on plan assets	0.96	0.59
Actuarial (Gain) or Loss	(2.19)	(7.25)
Net (Income) / Expenses recognised in OCI	(1.23)	(6.66)

Sensitivity Analysis

Particulars	(₹ in million)	
	FY 2022-23	FY 2021-22
Projected Benefit obligation on current assumptions		
Data effect of change in Rate of		
- Discounting by +0.5%	109.50	104.92
- Salary Increase by +0.5%	119.07	114.35
- Employee Turnover by +10%	115.50	110.71
Data effect of change in Rate of		
- Discounting by -0.5%	119.20	114.50
- Salary Increase by -0.5%	109.56	104.96
- Employee Turnover by -10%	112.75	108.27

Significant Actuarial Assumptions

Particulars	(₹ in million)	
	FY 2022-23	FY 2021-22
Discount Rate	7.45%	7.15%
Salary Escalation	4.00%	4.00%
Attrition Rate	2%-10%	2%-10%
Mortality Tables used	IALM 2012-14	IALM 2012-14

The estimates of future salary increases, considered in actuarial valuation have taken into account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The rate used to discount defined benefit obligation (both funded and unfunded) is determined by reference to market yield at the Balance Sheet date on high quality corporate bonds. In countries where there is no deep market in such bonds the market yields (at the Balance Sheet Date) on government bonds shall be used. The currency and term of the corporate bonds or government bonds shall be consistent with currency and estimated term of the post employment benefit obligations.

The estimated term of the Obligation is around 10.55 years (PY. 10.66 years). The yields on the government bonds as at the valuation date were 7.45% (PY. 7.15%). The expected contribution in the next year is ₹ 12.49 million.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

41 CONTINGENT LIABILITIES AND COMMITMENTS

(₹ in million)

Particulars	FY 2022-23	FY 2021-22
1) Disputed matters in appeals/contested in respect of:		
i. Income Tax	81.20	18.45
ii. Excise	45.61	25.53

Future cash outflows in respect of the above are determinable only on receipt of Judgments /decisions pending with various forums/authorities. Based on the decisions of the Appellate authorities and the interpretations of other relevant provisions, the Company has been legally advised that the additional demand raised is likely to be either deleted or substantially reduced and accordingly no provision is considered necessary.

(₹ in million)

Particulars	FY 2022-23	FY 2021-22
2) Letter of Credit issued by bankers and outstanding	189.79	871.65
3) Guarantee given by the Company (Refer Note 42)	327.01	200.85

(b) Commitments

(₹ in million)

Particulars	FY 2022-23	FY 2021-22
i. Estimated amount of Contracts remaining to be executed on capital account and not provided for, net of advances.	1,333.87	2,393.05

42 Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 are provided as under, to the extent the Company has received intimation from the "Suppliers" regarding their status under the Act.

(₹ in million)

Particulars	FY 2022-23	FY 2021-22
a. Principal and interest amount remaining unpaid	100.05	99.43
b. Interest due thereon remaining unpaid	-	-
c. Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day	-	-
d. Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	-	-
e. Interest accrued and remaining unpaid	-	-
f. Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	-	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

Disclosure of payable to vendors as defined under the “Micro, Small and Medium Enterprise Development Act, 2006” is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company. There are no overdue principal amounts / interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payment made during the year or on balance brought forward from previous year.

43 MOVEMENT OF LEASE LIABILITY

Particulars	(₹ in million)	
	FY 2022-23	FY 2021-22
Opening Balance	-	-
Lease Liabilities during the year	10.96	-
Finance Costs incurred during the year	0.72	-
Net Payments of Lease Liabilities	(5.96)	-
Closing Balance	5.72	-

44 CORPORATE SOCIAL RESPONSIBILITY EXPENSES

Financial Year	(₹ in million)				
	Amount required to be spent by the Company during the year	Amount of expenditure incurred	Shortfall at the end of the year	Total of previous years shortfall	Reason for shortfall
Year ended 31st March 2023	21.81	22.27	-	-	Not Applicable
Year ended 31st March 2022	25.90	26.16	-	-	Not Applicable

Note

44.1: Nature of CSR activities includes Rural Development, Promotion of Healthcare and Education, Providing Drinking Water.

45 SHARE BASED PAYMENTS

- a) The Company initiated the “ESOP 2017” for all eligible employees in pursuance of the special resolution approved by the Shareholders in the Annual General Meeting held on 23rd September 2017. The Scheme covers eligible employees (except promoters or those belonging to the promoters’ group, independent directors and directors who either by himself or through his relatives or through any body-corporate, directly or indirectly holds more than 10% of the outstanding Shares of the Company). Under the Scheme, the Nomination and Remuneration Committee of directors of the Company, administers the Scheme and grants stock options to eligible directors or employees of the Company. The Committee determines the employees eligible for receiving the options and the number of options to be granted subject to overall limit of 1,000,000 options.

Option	Number of shares granted	Grant Date	Expiry Date	Exercise Price (₹)	Fair Value of the option (₹)
ESOP 2017 - IV	1,83,500	14-08-2021	14-08-2023	10	98.20
ESOP 2017 - V	1,71,100	26-05-2022	26-05-2024	10	84.56

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

b) Compensation Expenses arising on account of the Share Based Payments

(₹ in million)

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Employee Share Based Payments (refer note 29)	18.98	(0.59)

The relevant details of the Scheme are as under:

Particulars	Grant IV	Grant V
Date of Grant	14th August 2021	26th May 2022
Date of Board/NRC Approval	14th August 2021	26th May 2022
Date of Shareholders' Approval	23rd September 2017	23rd September 2017
No. of Options Granted	1,83,500	1,71,100
Method of Settlement	Equity	Equity
Vesting Period	1 Year	1 Year
Fair Value on the date of Grant (₹)	98.20	84.56
Exercise Period	1 Year	1 Year
Vesting Conditions	As per Policy approved by Shareholders	As per Policy approved by Shareholders

Set out below is a summary of options granted under the plan:

Particulars	Grant IV	Grant V
Options Outstanding at the beginning of the year	1,83,500	-
Options granted during the year	-	1,71,100
Options exercised during the year	1,71,100	-
Options lapsed during the year	12,400	-
Options Outstanding at the end of the year	-	1,71,100

Particulars	Grant IV	Grant V
Date of Grant	14th August 2021	26th May 2022
Stock Price at the date of grant (₹)	107.55	93.20
Exercise Price (₹)	10	10
Expected Volatility	48.40%	49.89%
Expected Life of the Option	1 Year	1 Year
Risk Free Interest Rate	6.79%	7.29%
Weighted average fair value of options granted during the year (₹)	98.20	84.56

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

46 A Scheme of Amalgamation of S P S Processors Pvt. Ltd. ("SPS") with the Company (the "Scheme") was approved by the Board of Directors of the Company at their meeting held on 29th October 2021, with effect from appointed date of 1st April 2021. SPS is engaged in the business of manufacture of dyes intermediates. The Scheme was approved by Hon'ble NCLT, Ahmedabad Bench vide its order dated 2nd November 2022. The Scheme has accordingly been given effect in the financial statements of Bodal Chemicals Ltd. from the Appointed date. As the transaction took place between the entities which are under common control, the Company has followed pooling of interest method as per 'Appendix C of Ind AS 103 - Business Combination. The figures presented in the financial statements, including comparatives are after giving effect to the said Scheme.

The consideration was paid by way of issue of 29,70,700 Company's equity shares of ₹ 2 each in exchange of 48,700 equity shares of ₹ 10 each of SPS. All assets and liabilities including reserves are recorded in the books of accounts of the Company at their carrying amount as appearing in the consolidated financial statements of the Company. This has resulted in negative capital reserve of ₹ 62,23,394 adjusted in balance of Capital Reserve as on the date of acquisition.

The following class of items are reclassified due to accounting of amalgamation scheme as per Appendix C of IND-AS 103.

Change in Balance Sheet

Particulars	(₹ in million)
Assets	
Non-Current Assets	
Property, Plant and Equipment	542.55
Capital WIP	0.76
Intangible Assets	0.00
Investments	(40.91)
Loans	(1,288.79)
Other Financial Assets	9.17
Non-Current Tax Assets	1.74
Other Non-Current Assets	5.05
Current Assets	
Inventories	164.68
Trade Receivables	591.03
Cash and Cash Equivalents	12.26
Other Bank Balances	0.33
Other Financial Assets	0.00
Other Current Assets	76.66
Total Assets	(A) 74.52
Equity and Liabilities	
Other Equity	(162.44)
Liabilities	
Non-Current Liabilities	
Deferred Tax Liabilities (Net)	(80.43)
Current Liabilities	
Trade Payables	283.85
Other Financial Liabilities	4.71
Other Current Liabilities	28.82
Total Equity & Liabilities	(B) 74.52

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

Change in Statement of Profit & Loss

Particulars	(₹ in million)
Income	
Revenue From Operations	1,326.31
Other Income	(100.38)
Expenses	
Cost of Materials Consumed	966.85
Changes in Inventories of Finished Goods, Work in Process and Stock in Trade	(58.73)
Employee Benefits Expenses	57.80
Finance Costs	0.01
Depreciation and Amortisation expense	20.45
Other Expenses	383.93
Profit Before Tax	(144.39)
Total Tax Expense	(28.79)
Profit for the Year	(115.59)
Other Comprehensive Income of the Year	0.65
Total Comprehensive Income of the Year	(114.95)

47 The Company has changed classification for few items during the year for better presentation. The figures for the corresponding previous year have been regrouped/reclassified wherever necessary, to make them comparable. The details thereof has been provided below.

(a) Items of Balance Sheet

(₹ in million)

Sr. No	Previous Year Class of Item	As on 31/03/2022	As on 31/03/2021	Nature of Reclassification
1	Other Current Liabilities	106.40	6.00	it is reclassified to Liabilities Directly Associated with Assets Classified as held for Sale
2	Other Financial Liabilities	1.67	4.04	Salary/wages/bonus payable reclassified to Trade Payables
3	Provisions (Current)	8.77	11.32	Leave encashment liability reclassified to Trade Payables
4	Other Current Assets	4.13	-	The amount pertains to insurance claim receivables now reclassified to Other Financial Assets

(b) Items of Statement of Profit & Loss

(₹ in million)

Sr. No	Previous Year Class of Item	Year FY 2021-22	Nature of Reclassification
1	Raw Material Consumption	15.11	The amount pertains to Job work charges, now reclassified into Other Expense
2	Revenue from Operations Other Expenses	46.30	The amount pertains to Chlorine/HCL Disposal Charges, which was netted in Revenue from Operations, now shown separately

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

48 Disclosure pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 186 of the Companies Act, 2013

(₹ in million)

Sr. No.	Name of the Company (Subsidiary)	Outstanding Amount		Maximum amount outstanding during the year	
		As at 31st March 2023	As at 31st March 2022	FY 2022-23	FY 2021-22
1	Bodal Chemicals Trading Pvt. Ltd.	-	-	-	0.88
2	Sen-Er Boya Kimya Tekstil San.Tic. Ltd.	-	-	-	327.69

- Loan to subsidiaries has been given for acquisition of assets and other business purposes.
- The loanee does not have any investment in the shares of the Company.
- The Company has given a guarantee of ₹ NIL (P.Y. 200.85 million) to Citibank N.A. for the purpose of advancing a loan to Sen-Er Boya Kimya Tekstil San.Tic. Ltd.

49 KEY FINANCIAL RATIOS:

Sr. No	Ratios	Numerator	Denominator	FY 2022-23	FY 2021-22	% Variance	Reason for variance
i	Current Ratio	Current Assets	Current Liabilities	1.31	1.38	-5.08%	-
ii	Debt Service Coverage ratio	EBIDTA	Interest + Principal	3.69	11.05	-66.62%	Note (a)
iii	Inventory Turnover Ratio	Cost of Goods Sold	Average Inventory	2.55	3.26	-21.67%	-
iv	Trade Payable Turnover Ratio	Raw Material Purchase + Trading Purchases + Other Expenses	Average Trade Payables	5.38	7.98	-32.56%	Note (b)
v	Net Profit Ratio	PAT	Revenue from Operations	2.00%	6.18%	-67.59%	Note (c)
vi	Return on Investment	PAT	Shareholders' Funds	2.76%	11.27%	-75.46%	Note (d)
vii	Debt-Equity Ratio	Total Debt	Total Equity	0.67	0.58	15.29%	-
viii	Trade Receivables Turnover Ratio	Revenue from Operations	Average Trade Receivables	3.28	4.30	-23.58%	-
ix	Net Capital Turnover Ratio	Revenue from Operations	Average Working Capital	6.45	8.71	-26.00%	Note (e)
x	Return on Capital Employed	Earnings before Interest & Tax	Shareholders' Funds + Long Term Debt	5.17%	14.16%	-63.48%	Note (f)
xi	Return on Equity	PAT	Average Total Equity	2.79%	11.80%	-76.33%	Note (g)

Notes:

- Since there is increase in Finance Cost and decrease in EBIT, Debt Service Coverage Ratio is decreased from 11.05 to 3.69
- Decrease in Purchase is 54% as compared to previous financial year and decrease in trade payable is 4%. Accordingly ratio is decreased from 7.98 to 5.38

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

- (c) Current financial year was affected by recession, hence Net Profit Ratio was lower as compared to previous financial year.
- (d) Current financial year was affected by recession, hence Return on Investments was lower as compared to previous financial year.
- (e) Current financial year was affected by recession, hence Net Capital Turnover Ratio was lower as compared to previous financial year.
- (f) Current financial year was affected by recession, hence Return on Capital employed was lower as compared to previous financial year.
- (g) Previous financial year was affected by COVID-19, hence Return on Equity was lower as compared to current financial year.

50 OTHER STATUTORY INFORMATION :

- (i) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies) other than as disclosed below, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
 - (b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries. (Current Year : NIL; P.Y. : given below)

Guarantee given to (Intermediary)	Details of Intermediary	Ultimate Beneficiary	Date of providing guarantee	Amount of guarantee (₹ in million)	Date of investment by Intermediary in Ultimate beneficiary	Amount of investment by Intermediary in Ultimate beneficiary
Citibank N.A.	Citibank N.A. - 1st Floor, Kalapurnam Building, Near Municipal Market, C.G. Road, Ahmedabad	Sen-Er Boya Kimya Tekstil San.Tic. Ltd.	27-07-2021	200.85	14-03-2022	164.55

- (ii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (iii) The Company do not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961.
- (iv) Title deeds of all the Immovable Property are held in name of the Company.
- (v) The Company has complied with the Scheme of Arrangements as approved by the National Company Law Tribunal (NCLT) in terms of sections 230 to 237 of the Companies Act, 2013 as is accounted in the financial statements in accordance with accounting standards.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

- (vi) There are no proceedings which have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
 - (vii) The Company has not been declared a wilful defaulter by any bank or financial institution.
 - (viii) The Company has not identified any transaction with Companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 and has no balances outstanding from struck of Companies.
 - (ix) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.
 - (x) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- 51** The Code on Social Security, 2020 and Code of wages, 2019 relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Codes have been published in the Gazette of India. However, the date on which the Codes will come into effect has not been notified. The Company will assess the impact of the Codes when it comes into effect and will record any related impact in the period the Codes become effective.

For and on behalf of the Board of Directors

Suresh J. Patel

Chairman & Managing Director
DIN : 00007400

Ankit S. Patel

Executive Director
DIN : 02173231

Mayur B. Padhya

Chief Financial Officer
Ahmedabad
30th May 2023

Ashutosh B. Bhatt

Company Secretary

INDEPENDENT AUDITOR'S REPORT

To The Members of BODAL CHEMICALS LIMITED

Report on the Audit of the Consolidated Financial Statements

OPINION

We have audited the accompanying consolidated financial statements of **BODAL CHEMICALS LIMITED** ("the Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as "the Group") which includes the Group's share of profit in its associate, which comprise the Consolidated Balance Sheet as at 31st March 2023, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements of subsidiaries and the associate referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS'), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March 2023, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143 (10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its associate in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by other auditors in terms of their reports referred to in the sub-paragraphs (a) of the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on 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 matter described below to be the key audit matter to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	Timely recognition of revenue (Refer Note 1.5 and Note 26 to the Consolidated Financial Statements for notes on revenue from operations)	Principal audit procedures performed: Our audit procedures were a combination of test of controls and substantive procedures which included the following: <ul style="list-style-type: none"> Evaluated the design of internal controls relating to recording of revenues at reporting periods.

INDEPENDENT AUDITOR'S REPORT (CONTD.)

Sr. No.	Key Audit Matter	Auditor's Response
	We focussed on this area as a Key audit matter due to the risk of incorrect timing of revenue recognition. Since the Group focuses on revenue as a key performance measure, it could create an incentive for revenue to be recognised though the performance obligations have not been satisfied by the Group.	<ul style="list-style-type: none"> • Selected a sample of invoices and tested the operating effectiveness of internal controls relating to revenue cut off's. • Performed cut-off procedures (early and late cut off's) for sample of revenue transactions at year-end by testing the underlying invoices to the related delivery documents.
2	<p>Inventories</p> <p>Auditor of holding company considers Inventories as key audit matter due to its size being ₹ 274.96 Crores as at 31st March 2023.</p>	<p>Principal audit procedures performed by auditor of holding company:</p> <p>Testing the inventory provisioning and challenging the assumptions for inventory valuation basis non-moving/slow moving items.</p> <ul style="list-style-type: none"> • Review the policy of the management for physical verification and the documents related to management's physical count procedure actually followed at different locations. • Sample testing of management physical verification report. • We observe the physical verification process at locations of financial significance

OTHER MATTERS

1. The comparative financial information of the Company for the year ended 31st March 2022 prepared in accordance with Ind AS included in this Statement have been audited by the predecessor auditor. The reports of the predecessor auditor on these comparative financial information dated 27th May 2022 expressed unmodified opinion / conclusion.

Our conclusion on the Statement is not modified in respect of this matter.

2. (a) We did not audit the financial statements of 4(four) subsidiaries, whose financial statements reflect total assets of ₹ 487.93 million as at 31st March 2023, total revenues of ₹ 658.90 million, total comprehensive income of ₹ 23.69 million and net cash inflows amounting to ₹ 16.83 million for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of ₹ Nil for the year ended 31st March 2023, as considered

in the consolidated financial statements, in respect of one associate, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associate is based solely on the reports of the other auditors.

(b) We did not audit the information of 2 (two) subsidiaries, whose financial information reflect total assets of ₹ 224.68 million as at 31st March 2023, total revenues of ₹ 313.19 million, total comprehensive loss of ₹ 2.49 million and net cash inflows amounting to ₹ 49.98 million for the year ended on that date, as considered in the consolidated financial statements. These financial information are unaudited and have been furnished to us by the Management

INDEPENDENT AUDITOR'S REPORT (CONTD.)

and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on such unaudited financial information. 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.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial information certified by the Management.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

- The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Board' Report including Annexures to Board's Report, Corporate Governance Report and Management Discussion & Analysis, but does not include the consolidated financial statements, standalone financial statements and our auditor's reports thereon. These reports are expected to be made available to us after the date of this auditor's report.
- Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of subsidiaries and associate audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries and associate, is traced from their financial statements audited by other auditors.

- When we read the other information identified above, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group and its associate in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associate and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and its associate are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT (CONTD.)

The respective Board of Directors of the companies included in the Group and of its associate are also responsible for overseeing the financial reporting process of the Group and of its associate.

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal financial 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 Parent Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate 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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
 - Obtain sufficient appropriate audit evidence regarding the financial information entities or business activities within the Group and its associate to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by the 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

INDEPENDENT AUDITOR'S REPORT (CONTD.)

of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Parent and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements / information of the subsidiaries and associate referred to in the Other Matters section above we report, to the extent applicable that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Loss, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors of the Parent as on 31st March 2023 taken on record by the Board of Directors of the Parent and the reports of the statutory auditors of its subsidiary companies and associate company incorporated in India, none of the directors of the Group companies and its associate company is disqualified as on 31st March 2023 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 and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent and subsidiary companies and associate company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Parent to its directors during the year is in accordance with the provisions of section 197 of the Act.

INDEPENDENT AUDITOR'S REPORT (CONTD.)

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associate;
 - ii) The Group and its associate did not have any material foreseeable losses on 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 Parent and its subsidiary companies and associate company incorporated in India.
 - iv) (a) The respective Managements of the Parent Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent Company or any of such subsidiaries to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (b) The respective Managements of the Parent Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, no funds have been received by the Parent Company or any of such subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances performed by us and those performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v) The final dividend proposed in the previous year, declared and paid by the Company

INDEPENDENT AUDITOR'S REPORT (CONTD.)

during the year is in accordance with section 123 of the Act, as applicable.

As stated in note 17.7 to the consolidated financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

- vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from 01st April 2023, and accordingly, reporting under Rule 11(g)

of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31st March 2023.

2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies (incorporated in India) included in the consolidated financial statements to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the consolidated financial statements except as specified below:

Name	CIN	Holding Company/ subsidiary/ Associate/ Joint Venture	Clause number of the CARO report which is qualified or adverse
Bodal Chemicals Ltd	L24110GJ1986PLC009003	Holding Company	3(i)(a)(A)

For **Naresh J Patel & Co.**

Chartered Accountants

Firm Registration No.: 123227W

Chintan N Patel

Partner

Membership No.: 110741

UDIN No.: 23110741BGXILZ2430

Place: Ahmedabad

Date: 30th May 2023

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting 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 31st March 2023, we have audited the internal financial controls over financial reporting of Bodal Chemicals Limited (hereinafter referred to as "Parent") and its subsidiary companies, which includes internal financial controls over financial reporting of the Company's associate company, which are companies incorporated in India, as of that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Board of Directors of the Parent, its subsidiary companies and its associate company, 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 respective Companies 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 the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Parent, its subsidiary companies and its associate company, which are companies incorporated in India, 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") issued

by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the 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 of the subsidiary companies and its associate company, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent, its subsidiary companies and its associate company, which are companies incorporated in India.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT (CONTD.)

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors

referred to in the Other Matter paragraph below, the Parent, its subsidiary companies and its associate company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2023, based on the criteria for internal financial control over financial reporting established by the respective companies 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.

OTHER MATTER

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to one subsidiary companies and one associate company, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India. Our opinion is not modified in respect of the above matter.

For **Naresh J Patel & Co.**

Chartered Accountants

Firm Registration No.: 123227W

Chintan N Patel

Partner

Membership No.: 110741

UDIN No.: 23110741BGXILZ2430

Place: Ahmedabad

Date: 30th May 2023

CONSOLIDATED BALANCE SHEET

AS AT 31ST MARCH 2023

PARTICULARS	Notes	(₹ in million)	
		As at 31st March 2023	As at 31st March 2022
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	2	9,520.79	8,011.16
Right of Use Assets	3	5.48	1.64
Capital Work-in-progress	4	1,934.67	695.29
Goodwill on Consolidation	5	84.75	84.75
Intangible Assets	5	60.66	69.16
Financial Assets			
Investments	6	1.92	2.71
Loans	7	30.30	17.21
Other Financial Assets	8	264.15	172.80
Non-Current Tax Assets (Net)	38	140.92	152.24
Deferred Tax Assets (Net)	38	4.59	90.85
Other Non-Current assets	9	651.95	617.64
Total Non - Current Assets		12,700.18	9,915.45
Current Assets			
Inventories	10	2,925.29	4,446.26
Financial Assets			
Trade Receivables - Others	11	3,581.63	4,898.31
Trade Receivables - Customers Bill Discounted	11	621.19	997.98
Cash and Cash Equivalents	12	168.02	93.00
Bank Balances other than above	13	18.74	58.48
Loans	14	22.60	47.82
Other Financial Assets	15	39.11	13.87
Current Tax Assets (Net)	38	69.03	-
Other Current Assets	16	1,063.07	659.97
Assets held for sale		0.14	91.97
Total Current Assets		8,508.82	11,307.66
Total Assets		21,209.00	21,223.11
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	17	251.25	244.96
Other Equity	18	10,525.78	10,278.55
Equity attributable to the Equity holders of the parent		10,777.03	10,523.51
Non-Controlling Interests		-	-
Total Equity		10,777.03	10,523.51
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	19	3,618.33	2,137.36
Lease Liabilities	44	-	1.01
Provisions	20	-	2.43
Deferred Tax Liabilities (Net)	38	600.11	514.53
Total Non-Current Liabilities		4,218.44	2,655.33
Current Liabilities			
Financial Liabilities			
Borrowings - Others	21	3,356.43	3,619.65
Borrowings - Customers Bill Discounted	21	621.19	997.98
Lease Liabilities	44	5.72	0.80
Trade Payables	22	-	-
(a) Total outstanding dues of Micro Enterprises and Small Enterprises		100.05	99.43
(b) Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises		1,790.63	2,452.79
Other Financial Liabilities	23	212.30	535.45
Other Current Liabilities	24	116.45	165.10
Provisions	25	-	0.93
Current Tax Liabilities (Net)	38	7.48	65.74
Liabilities Directly Associated with Assets Classified as held for Sale		3.28	106.40
Total Current Liabilities		6,213.53	8,044.27
Total Liabilities		10,431.97	10,699.60
Total Equity and Liabilities		21,209.00	21,223.11

See Accompanying Notes forming part of the Financial Statements

1 to 50

As Per our report of even date attached

For Naresh J. Patel & Co.
Chartered Accountants
Firm Registration No. 123227W

For and on behalf of the Board of Directors

Chintan N. Patel
Partner
Membership No. 110741

Suresh J. Patel
Chairman & Managing Director
DIN : 00007400

Ankit S. Patel
Executive Director
DIN : 02173231

Ahmedabad
30th May 2023

Mayur B. Padhya
Chief Financial Officer
Ahmedabad
30th May 2023

Ashutosh B. Bhatt
Company Secretary

CONSOLIDATED STATEMENT OF PROFIT & LOSS

FOR THE YEAR ENDED 31ST MARCH, 2023

PARTICULARS	Notes	(₹ in million)	
		Year Ended 31st March 2023	Year Ended 31st March 2022
INCOME			
Revenue from Operations	26	15,742.80	20,552.51
Other Income	27	116.13	171.31
Total Income		15,858.93	20,723.82
EXPENSES			
Cost of Materials Consumed	28	8,257.53	12,054.62
Purchases of Stock-in Trade	29	148.36	303.27
Changes in Inventories of Finished Goods, Work in Process and Stock in Trade	30	632.53	(842.77)
Employee Benefits Expenses	31	948.06	1,104.55
Finance Costs	32	410.25	294.77
Depreciation and Amortisation expense	33	530.92	466.17
Other Expenses	34	4,422.92	5,734.85
Total Expenses		15,350.57	19,115.46
Profit Before Exceptional Items and Tax		508.36	1,608.36
Exceptional Items	34.1	-	187.91
Profit Before Tax		508.36	1,420.45
Tax Expenses			
Current Tax on Profit for the Year	38	56.09	438.60
(Short)/Excess Provision of Tax of Prior Years		(99.70)	(3.94)
Current Tax		(43.61)	434.66
Deferred Tax		171.64	(0.84)
Total Tax Expense		128.03	433.82
Profit for the Year		380.33	986.63
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plans		0.68	6.28
Income Tax relating to items that will not be reclassified to profit and loss account		(0.20)	(1.60)
Share of OCI in associate		-	-
		0.48	4.68
Items that will be reclassified to profit or loss			
Exchange differences in translating the financial statements of foreign subsidiaries		(49.86)	85.48
Income Tax relating to items that will be reclassified to profit and loss account		-	-
Other Comprehensive Income for the Year		(49.38)	90.16
Total Comprehensive Income for the Year		330.95	1,076.79
Profit for the Year Attributable to:			
Owners of the Company		380.33	1,042.28
Non-controlling interest		-	(55.65)
		380.33	986.63
Other Comprehensive Income for the Year Attributable to:			
Owners of the Company		(49.38)	72.40
Non-controlling interest		-	17.76
		(49.38)	90.16
Total Comprehensive Income for the Year Attributable to:			
Owners of the Company		330.95	1,114.68
Non-controlling interest		-	(37.89)
		330.95	1,076.79
Earnings per equity share (Face value of ₹2)	44		
Basic (in ₹)		3.03	8.30
Diluted (in ₹)		3.03	8.30

See Accompanying Notes forming part of the Financial Statements 1 to 50
As Per our report of even date attached

For Naresh J. Patel & Co.
Chartered Accountants
Firm Registration No. 123227W

Chintan N. Patel
Partner
Membership No. 110741

Ahmedabad
30th May 2023

For and on behalf of the Board of Directors

Suresh J. Patel
Chairman & Managing Director
DIN : 00007400

Mayur B. Padhya
Chief Financial Officer
Ahmedabad
30th May 2023

Ankit S. Patel
Executive Director
DIN : 02173231

Ashutosh B. Bhatt
Company Secretary

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AS AT 31ST MARCH 2023

A) EQUITY SHARE CAPITAL

	As at 31st March 2023	As at 31st March, 2022
Balance at the beginning of the year	244.96	244.66
Add : Issue of Shares under Common Control	5.94	-
Add : Issue of Shares under ESOP (refer Note 46)	0.35	0.30
Balance at the end of the year	251.25	244.96

(₹ in million)

B) OTHER EQUITY

	Reserves & Surplus							Non-Controlling Interests	Total		
	Capital Reserve on Common Control	Capital Reserves	Capital Redemption Reserve Fund	Securities Premium	Employee Stock Options Outstanding Account	General Reserve	Retained Earnings			Share Capital to be issued under Common Control	Foreign Currency Translation Reserve
Balance as at 1st April 2021 (A)	0.18	568.56	289.67	2,406.16	21.98	138.86	6,152.46	-	(8.33)	46.07	9,615.61
Additions during the year:											
Addition due to Common Control	(0.18)	0.18	-	-	-	-	-	5.94	-	0.28	6.22
Adjustment due to Common Control	-	(6.22)	-	-	-	-	(308.02)	-	-	-	(314.24)
Profit for the year	-	-	-	-	-	-	1,042.28	-	-	(55.65)	986.63
Other Comprehensive Income for the year	-	-	-	-	-	-	(13.08)	-	-	17.76	4.68
Adjustment due to Common Control	-	-	-	-	-	-	-	-	-	(8.46)	(8.46)
Total Comprehensive Income for the Year 2021-22(B)	-	-	-	-	-	-	721.18	-	-	(46.07)	675.11
Securities Premium on issue of shares	-	-	-	11.27	-	-	-	-	-	-	11.27
Addition due to Employee share based expense (refer note 46)	-	-	-	-	(10.66)	-	-	-	-	-	(10.66)
Exchange differences in translating the financial statements of foreign subsidiaries	-	-	-	-	-	-	-	-	85.48	-	85.48

(₹ in million)

	(₹ in million)										
	Capital Reserve on Common Control	Capital Reserves	Capital Redemption Reserve Fund	Securities Premium	Employee Stock Options Outstanding Account	General Reserve	Retained Earnings	Share Capital to be issued under Common Control	Foreign Currency Translation Reserve	Non-Controlling Interests	Total
Reductions during the year:											
Dividends	-	-	-	-	-	-	(97.98)	-	-	-	(97.98)
Total (C)	-	-	-	-	-	-	(97.98)	-	-	-	(97.98)
Balance as at 31st March 2022 (D) = (A+B+C)	-	562.52	289.67	2,417.43	11.32	138.86	6,775.66	5.94	77.15	-	10,278.55
Additions during the year:											
Profit for the year	-	-	-	-	-	-	380.33	-	-	-	380.33
Other Comprehensive Income for the year	-	-	-	-	-	-	0.47	-	-	-	0.47
Exchange differences in translating the financial statements of foreign subsidiaries	-	-	-	-	-	-	-	-	(49.87)	-	(49.87)
Change due to Employee share based expense (refer note 46)	-	-	-	-	2.18	-	-	-	-	-	2.18
Total Comprehensive Income for the Year 2022-23 (E)	-	-	-	-	-	-	380.80	-	-	-	380.80
Securities Premium on issue of shares	-	-	-	18.18	-	-	-	-	-	-	18.18
Issue of Shares under Common Control	-	-	-	-	-	-	-	(5.94)	-	-	(5.94)
Reductions during the year											
Dividends	-	-	-	-	-	-	(98.12)	-	-	-	(98.12)
Total (F)	-	-	-	-	-	-	(98.12)	-	-	-	(98.12)
Balance as at 31st March 2023 (D+E+F)	-	562.52	289.67	2,435.61	13.50	138.86	7,058.34	-	27.28	-	10,525.78

See Accompanying Notes forming part of the Financial Statements

1 to 50

As Per our report of even date attached

For Naresh J. Patel & Co.

Chartered Accountants

Firm Registration No. 123227W

Chintan N. Patel

Partner

Membership No. 110741

Ahmedabad

30th May 2023

For and on behalf of the Board of Directors

Suresh J. Patel

Chairman & Managing Director

DIN : 00007400

Mayur B. Padhya

Chief Financial Officer

Ahmedabad

30th May 2023

Ankit S. Patel

Executive Director

DIN : 02173231

Ashutosh B. Bhatt

Company Secretary

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31ST MARCH, 2023

(₹ in million)

PARTICULARS	Year	
	2022-23	2021-22
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit Before Tax	508.36	1,420.45
Adjustment for		
Depreciation and Amortisation Expense	530.92	466.17
Unrealised Foreign Exchange (Gain)	(0.41)	(1.39)
Fair Value (Gain) on Investments measured through profit or loss	(3.18)	(0.42)
Mark-to-market (Profit) / loss on derivative financial instruments	(4.70)	0.06
Impairment Loss under Expected Credit Loss Model	7.03	(0.08)
Liabilities no Longer Required Written Back	(0.14)	(0.03)
Finance Costs	410.25	294.77
Expenses recognised in respect of share based payments	18.98	(0.59)
(Profit) on Sale of Property, Plant & Equipment (Net)	(13.59)	(7.05)
Interest Income	(72.57)	(118.37)
Dividend Income	(0.28)	(1.68)
Profit on Sale of Current Investments (Net)	(0.43)	(40.10)
Operating Profit before Working Capital Changes	1,380.24	2,011.74
Adjustment for :		
(Increase) / Decrease in Trade Receivables	1,687.60	(1,200.63)
(Increase) / Decrease in Inventories	1,520.97	(1,374.17)
(Increase) / Decrease in Financial Assets	(70.41)	59.88
(Increase) / Decrease in Other Assets	(406.46)	88.83
Increase / (Decrease) in Trade Payables	(661.17)	317.28
Increase / (Decrease) in Other Financial Liabilities	(325.14)	316.86
Increase / (Decrease) in Other Liabilities and Provisions	(204.16)	30.70
Cash generated from Operations	2,921.47	250.49
Income Taxes Paid (Net of Refund)	72.37	385.69
Net Cash generated from / (Used in) Operating Activities (A)	2,849.10	(135.20)
B CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Property, Plant & Equipment including Capital Work in Progress and capital advances	(3,377.59)	(1,590.82)
Sale proceeds of Property, Plant & Equipment	189.33	27.49
Net (Increase) / Decrease in Loans to Employees	12.12	(18.03)
Interest received	69.33	117.81
Dividend received	0.28	1.68
Inter Corporate Loans received back	-	2.35
Bank Balances not considered as Cash and Cash Equivalents		
Investment in Term Deposits (Margin Money)	(35.50)	(72.10)
Redemption / Maturity of Term Deposits (Margin Money)	37.01	42.95
Investment in Current Investments	(500.00)	-
Proceeds from Sale of Current Investments	504.29	102.22
Proceeds from Sale of Non-Current Investments	0.10	-
Investment in Subsidiary	-	(316.48)
Net Cash used in Investing Activities (B)	(3,100.63)	(1,702.93)
C CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from Long Term Borrowings	2,151.61	1,073.36

(₹ in million)

PARTICULARS	Year	Year
	2022-23	2021-22
Increase/(Decrease) in Short Term Borrowings	(1,311.78)	1,131.88
Proceeds from issue of Equity Shares under ESOP	1.71	1.51
Lease Liability Paid	(5.96)	(2.32)
Finance Costs Paid	(410.97)	(295.03)
Dividend Paid on Equity Shares	(98.06)	(97.41)
Net Cash from Financing Activities (C)	326.55	1,811.99
NET INCREASE / (DECREASE) IN CASH & EQUIVALENTS	75.02	(26.14)
Cash & Cash Equivalents at the beginning of the year	93.00	119.14
Cash & Cash Equivalents at the end of the year	168.02	93.00

Note i): The Cash Flow Statement has been prepared under the 'Indirect Method' set out in Ind AS 7 'Statement of Cash Flows'.

Note ii): Changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, are given below.

(₹ in Million)

	Non-Current (Refer Note 19)	Current (Refer Note 20)
Borrowing as on 31st March 2022	2,137.36	4,617.63
Cash Flows	2,151.61	(1,311.78)
Non Cash Changes - Foreign Exchange Movement	-	1.13
Borrowing as on 31st March 2023	4,288.97	3,306.98

See accompanying notes forming part of the financial statements 1 to 50

As Per our report of even date attached

For Naresh J. Patel & Co.

Chartered Accountants

Firm Registration No. 123227W

Chintan N. Patel

Partner

Membership No. 110741

Ahmedabad

30th May 2023

For and on behalf of the Board of Directors

Suresh J. Patel

Chairman & Managing Director

DIN : 00007400

Mayur B. Padhya

Chief Financial Officer

Ahmedabad

30th May 2023

Ankit S. Patel

Executive Director

DIN : 02173231

Ashutosh B. Bhatt

Company Secretary

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

COMPANY BACKGROUND

The consolidated financial statements comprise financial statements of Bodal Chemicals Ltd. ('the Parent/ Company'), its subsidiaries (collectively, 'the Group') for the year ended 31st March 2023.

The Parent is a public limited company domiciled and incorporated in India under the Indian Companies Act, 1956. The registered office of the Parent is located at Plot No. 123-124, Phase – I, G.I.D.C., Vatva, Ahmedabad - 382445, India.

The Group is engaged in the business of manufacturing of Dyes, Dye Intermediates and Basic Chemicals.

1 Significant Accounting Policies:

1.1 Statement of compliance:

These consolidated financial statements comprising of Balance Sheet, Statement of Profit and Loss including other comprehensive income, Statement of Changes in Equity and Statement of Cash Flows as at 31st March 2023 have been prepared in accordance with and in compliance, in all material aspects, with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") read along with Companies (Indian Accounting Standards) Rules, as amended and other provisions of the Act.

The presentation of the Consolidated Financial Statements is based on Ind AS Schedule III of the Act. The financial statements are presented in Indian Rupee ("₹") and all values are rounded to the nearest million as per the requirement of Schedule III, except when otherwise indicated.

1.2 Basis of Preparation of Financial Statements:

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as below.

- Financial assets and liabilities are measured at fair value or at amortised cost depending on classification; (Refer note no 1.18 and 1.19)

- Derivative financial instruments and contingent consideration is measured at fair value; (Refer note no 1.20)
- Assets held for sale – measured at fair value less cost to sell; (Refer note no 1.33)
- Defined benefit plans – plan assets measured at fair value; (Refer note no 1.8)
- Lease liability and Right-of-use assets – measured at fair value; (Refer note no 1.6) and
- Share based payments – measured at fair value. (Refer note no 1.9)

Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in accounting policy.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised 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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

that the entity can access at the measurement date;

- Level 2 inputs are 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 liability.

The principal accounting policies are set out below.

1.3 Basis of Consolidation:

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries. Control is achieved when the Group:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and

- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated Statement of Profit and Loss from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intra-group assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The excess of cost to the Group of its investments in the subsidiary companies over its share of equity of the subsidiary companies at the dates on which the investments in the subsidiary companies were made, is recognised as 'Goodwill' being an asset in the consolidated financial statements and is tested for impairment on annual basis. The Goodwill is determined separately for each subsidiary company and such amounts are not set off between different entities.

Following subsidiary companies / associate have been considered in the preparation of the consolidated financial statements:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

a) Subsidiary

Sr. No.	Name of the Company	Country of Incorporation	Extent of Holding/ Voting Power (%) as on 31st March 2023	Extent of Holding/ Voting Power (%) as on 31st March 2022
1	Bodal Chemicals Trading Pvt. Ltd.	India	100.00%	100.00%
2	Bodal Chemicals Trading (Shijiazhuang) Co., Ltd.	China	100.00%	100.00%
3	Sen-er Boya Kimya Tekstil Sanayi Ve Ticaret Ltd.	Turkey	100.00%	100.00%
4	Senpa Dis Ticaret Anonim Sirketi (100% subsidiary of Sen-er Boya Kimya Tekstil Sanayi Ve Ticaret Ltd.)	Turkey	100.00%	100.00%
5	PT Bodal Indonesia	Indonesia	100.00%	-
6	Bodal Bangla Ltd.	Bangladesh	100.00%	100.00%

b) Associate

Sr. No.	Name of the Company	Country of Incorporation	Extent of Holding/ Voting Power (%) as on 31st March 2023	Extent of Holding/ Voting Power (%) as on 31st March 2022
1	Plutoeco Enviro Association	India	25.00%	25.00%

1.4 Changes in the Group's ownership interests in existing subsidiaries:

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Group.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the

Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable Ind AS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109, or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

1.5 Revenue Recognition:

a) Revenue from contracts with customer

Revenue is recognised when control of goods is transferred to a customer in accordance with the terms of the contract. The control of the goods is transferred upon delivery to the customers either at factory gate of the Group or specific location of the customer or when the goods are handed over to the freight carrier, as per the terms of the contract.

Revenue towards satisfaction of a performance obligation is measured at the amount of

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Group as part of the contract.

Transaction price is typically determined based on contract entered into with customer. Allocation of transaction price in respect to multiple obligation is based on relative standalone selling price.

- b) Export incentives are recognised in the year where there is a reasonable assurance that the Group will comply with the conditions attaching to it and that the export incentive will be received.
- c) **Other income**

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group 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.

1.6 Lease

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date

except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the lease payments associated with these leases are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

Lease term is a non-cancellable period together with periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be amortised over the useful life of the underlying asset. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments to be paid over the lease term at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate. Subsequently, the lease liability is measured at amortised cost using the effective interest method.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

1.7 Foreign currencies:

In preparing the consolidated financial statements of each individual entity of the Group, transactions in currencies other than the Company'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.

The translation of financial statements of the foreign subsidiaries to the presentation currency is performed for assets and liabilities using the exchange rate in effect at the Balance Sheet date and for revenue, expense and cash-flow items using the average exchange rate for the respective periods. The gains or losses resulting from such translation are included in currency translation reserves under other components of equity. When a subsidiary is disposed off, in full, the relevant amount is transferred to net profit in the statement of comprehensive income. However when a change in the parent's ownership does not result in loss of control of a subsidiary, such changes are recorded through equity.

1.8 Employee Benefits:

Retirement benefit costs

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual

reporting period. Remeasurement, 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 recognised in Other Comprehensive Income in the period in which they occur. Remeasurement recognised in Other Comprehensive Income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. 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
- Remeasurement

The Group presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the Balance Sheet represents the actual deficit or surplus in the Group'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.

Termination benefits

A liability for a termination benefit is recognised at the earlier of when the Group can no longer withdraw the offer of the termination benefit and when the Group recognises any related restructuring costs.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits such as compensated absences 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. These are determined actuarially using the projected unit credit method.

1.9 Share Based Payments

Equity-settled share based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share based payments is expensed on a straight line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in Statement of Profit and Loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the Employee Stock Options Outstanding Account.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

1.10 Taxation:

Income tax expense represents the sum of the current tax and deferred tax.

Current Tax

The current tax payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current

tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated 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 utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition 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 realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the year

Current and deferred tax are recognised 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

1.11 Property, plant and equipment:

Property, plant and equipment for use in the production or supply of goods or services, or for administrative purposes, are stated in the Balance Sheet at cost less accumulated depreciation and accumulated impairment losses.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment

Subsequent costs are included in the carrying amount of asset or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the Statement of Profit and Loss during the period in which they are incurred.

The Group had applied for the one-time transition exemption of considering the carrying cost on the transition date i.e., 1st April 2016 as the deemed cost under Ind AS. Hence regarded thereafter as historical cost.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as 'Capital work-in-progress'.

Depreciation Methods, Estimated Useful Lives and Residual Value

Depreciation is recognised so as to write off the cost of assets (other than freehold land) less their residual values over their useful lives prescribed in Schedule II to the Companies Act, 2003, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference

between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Freehold land is not depreciated.

For certain class of assets, based on the technical evaluation and assessment, the Group believes that the useful lives adopted by it best represent the period over which an asset is expected to be available for use. Accordingly, for these assets, the useful lives estimated by the Group are different from those prescribed in the Schedule II.

Property, Plant and equipment are stated at deemed cost less accumulated depreciation and accumulated impairment losses.

Useful lives of tangible assets

Estimated useful lives of the tangible assets are as follows:

Buildings	30-60 years
Plant & Machinery	20 years
Furniture & Fixtures	10 years
Vehicles	8-10 years
Office Equipments & Computers	1-5 years

Capital work in progress in stated at cost less accumulated impairment loss, if any.

1.12 Intangible Assets:

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

De-recognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in profit or loss when the asset is derecognised.

Useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows:

Intangible assets are amortised on a straight-line basis over their technically assessed useful lives, as mentioned below:

Intangible Assets	Estimated Useful Lives (Years)
Software	5
License/Membership Fees	10
Website	5

1.13 Impairment of tangible and intangible assets other than goodwill:

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted

to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

1.14 Inventories:

Raw materials, work-in-progress, finished goods, packing materials, stores, spares, components, consumables and stock-in-trade are carried at the lower of cost and net realisable value after providing for obsolescence, if any. The comparison of cost and net realisable value is made on an item-by-item basis.

In determining the cost of raw materials, packing materials, stock-in-trade, stores, spares, components and consumables, First-in-First-Out (FIFO) method is used. Cost of inventory comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.

Cost of finished goods and work-in-progress includes the cost of raw materials, packing materials, an appropriate share of fixed and variable production overheads as applicable and other costs incurred in bringing the inventories to their present location and condition.

Materials in transit are valued at cost-to-date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

1.15 Provision, Contingent Liabilities and Contingent Assets:

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

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).

A contingent liability exists when there is a possible but not probable obligation or a present obligation that may, but probably will not; require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognised nor disclosed in the consolidated financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

1.16 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account

the characteristics of the asset or liability at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the financial asset or settle the financial liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. Fair value measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Group's accounting policies.

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

1.17 Financial Instruments

Financial assets and financial liabilities are recognised when a 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.

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

1.18 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised 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 amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- 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.

For the impairment policy on financial assets measured at amortised cost, refer paragraph of Impairment of financial assets.

A financial asset that meet the following conditions are subsequently measured at fair value through other comprehensive income (FVOCI):

- 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 recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised 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 of, the cumulative gain or loss previously accumulated in this reserve is reclassified to profit or loss.

For the impairment policy on debt instruments at FVTOCI, refer paragraph of Impairment of financial assets.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

All other financial assets are subsequently measured at fair value.

Effective interest method

The effective interest method is a method of calculating the amortised 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.

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

A financial asset that does not meet the amortised cost criteria or FVTOCI criteria (see above) is 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.

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 Group, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

Impairment of financial assets

The Group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Group estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Group measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Group measured loss allowance for a financial instrument at lifetime expected credit loss in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Group again measures the loss allowance based on 12-month expected credit losses.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Group uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Group always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Group has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

Derecognition of financial assets

The Group derecognises 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.

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 (e.g. when the Group retains an option to repurchase part of a transferred asset), the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise 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.

1.19 Financial liabilities

Classification as debt or equity

Debt and equity instruments issued by a 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.

Financial liabilities

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

Financial liabilities subsequently measured at amortised cost

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

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.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange 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 derecognised and the consideration paid and payable is recognised in profit or loss.

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 'Finance Costs' line item.

1.20 Derivative Financial Instrument and Hedge Accounting:

The Group enters into forward exchange contracts to hedge against its foreign currency exposures relating to the firm commitments. The Group does not enter into any derivative instruments for trading or speculative purposes

Recognition and measurement of fair value hedge:

Derivative financial instrument is initially recognised at fair value on the date on which a derivative

contract is entered into and is subsequently measured at fair value at each reporting date. Gain or loss arising from changes in the fair value of derivative financial instrument is recognised in the Statement of Profit and Loss. Derivative financial instrument is recognised as a financial asset in the Balance Sheet if its fair value as at reporting dates is positive as compared to carrying value and as a financial liability if its fair value as at reporting date is negative as compared to carrying value.

1.21 Cash Flow Statement:

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.

1.22 Operating Cycle:

Based on the nature of products / activities of the Group and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

1.23 Cash and Cash Equivalents:

The Group considers all highly liquid financial instruments, which are readily convertible into known amount of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents.

1.24 Borrowing Costs:

Borrowing costs attributable to the acquisition, construction or production of qualifying assets, are added to the cost of those assets, up to the date when the assets are ready for their intended use. All other borrowing costs are expensed in the period they occur.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

1.25 Government grant and Subsidies:

Government grants are recognised when there is a reasonable assurance that the Group will comply with the conditions attached to them and grants will be received.

Government grants are recognised in Statement of Profit and Loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the Balance Sheet and transferred to Statement of Profit and Loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in Statement Profit and Loss in the period in which they become receivable.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

1.26 Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

1.27 Exceptional Items

Exceptional items refer to items of income or expenses within the statement of profit and loss from ordinary activities which are non-recurring and are of such size, nature or incidence that their disclosure is considered necessary to explain the performance of the Group.

1.28 EARNINGS PER SHARE:

Basic earnings per equity share is computed by dividing the net profit/(loss) attributable to the equity holders of the Group by the weighted average number of equity shares outstanding during the period.

Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Group by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

1.29 USE OF ESTIMATES:

The preparation of consolidated financial statements requires management of the Group to make judgements, estimates and assumptions that affect the reported assets and liabilities, revenue and expenses and disclosures relating to contingent liabilities. Management believes that the estimates used in the preparation of the consolidated financial statements are prudent and reasonable. Estimates and underlying assumptions are reviewed by management at each reporting date. Actual results could differ from these estimates. Any revision of these estimates is recognised prospectively in the current and future periods.

Following are the critical judgements and estimates:

1.29.1 Judgements

(i) Leases

Ind AS 116 -Leases requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease,

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if the use of such option is reasonably certain. The Group makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Group considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Group's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

(ii) Income taxes

Significant judgements are involved in determining the provision for income taxes including judgement on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods. The recognition of taxes that are subject to certain legal or economic limits or uncertainties is assessed individually by management based on the specific facts and circumstances.

In assessing the realisability of deferred tax assets, management considers whether some portion or all of the deferred tax assets will not be realised. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections

for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the Group will realise the benefits of those deductible differences. The amount of the deferred income tax assets considered realisable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

(iii) Provisions and contingent liabilities

The Group exercises judgement in measuring and recognising provisions and the exposures to contingent liabilities related to pending litigation or other outstanding claims subject to negotiated settlement, mediation, government regulation, as well as other contingent liabilities. Judgement is necessary in assessing the likelihood that a pending claim will succeed, or a liability will arise, and to quantify the possible range of the financial settlement. Because of the inherent uncertainty in this evaluation process, actual losses may be different from the originally estimated provision. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

1.29.2 Estimates

(i) Useful lives of property, plant and equipment, and intangible assets

Property, plant and equipment, and intangibles assets represent a significant proportion of the asset base of the Group. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual

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values of the Group's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

(ii) Sales returns

The Group accounts for sales returns accrual by recording an allowance for sales returns concurrent with the recognition of revenue at the time of a product sale. This allowance is based on the Group's estimate of expected sales returns. The estimate of sales returns is determined primarily by the Group's historical experience in the markets in which the Group operates. With respect to established products, the Group considers its historical experience of sales returns, levels of inventory in the distribution channel, estimated shelf life, product discontinuances, price changes of competitive products, and the introduction of competitive new products, to the extent each of these factors impact the Group's business and markets.

(iii) Provision for rebates and discounts

Provisions for rebates, discounts and other deductions are estimated and provided for in the year of sales and recorded as reduction of revenue. Provisions for such rebates and discounts are accrued and estimated based on historical average rate actually claimed over a period of time, current contract prices with customers.

(iv) Expected credit loss

The Group applies Expected Credit Losses ("ECL") model for measurement and recognition of loss allowance on the following:

- Trade receivables and lease receivables.

- Financial assets measured at amortised cost (other than trade receivables and lease receivables).

In accordance with Ind AS 109 - Financial Instruments, the Group applies ECL model for measurement and recognition of impairment loss on the trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115 - Revenue from Contracts with Customers.

(v) Accounting for defined benefit plans

In accounting for post-retirement benefits, several statistical and other factors that attempt to anticipate future events are used to calculate plan expenses and liabilities. These factors include expected return on plan assets, discount rate assumptions and rate of future compensation increases. To estimate these factors, actuarial consultants also use estimates such as withdrawal, turnover, and mortality rates which require significant judgement. The actuarial assumptions used by the Group may differ materially from actual results in future periods due to changing market and economic conditions, regulatory events, judicial rulings, higher or lower withdrawal rates, or longer or shorter participant life spans.

(vi) Impairment of non-financial assets

An impairment loss is recognised for the amount by which an asset's or cash-generating unit's carrying amount exceeds its recoverable amount. To determine the recoverable amount, management estimates expected future cash flows from each asset or cash generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. In the process of measuring expected future cash flows, management

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

makes assumptions about future operating results. These assumptions relate to future events and circumstances. The actual results may vary and may cause significant adjustments to the Group's assets.

In most cases, determining the applicable discount rate involves estimating the appropriate adjustment to market risk and the appropriate adjustment to assetspecific risk factors.

(vii) Fair value of financial instruments

Management uses valuation techniques in measuring the fair value of financial instruments where active market quotes are not available. In applying the valuation techniques, management makes maximum use of market inputs and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

(viii) Fair value of assets held for sale

Management uses valuation techniques in measuring the fair value of financial instruments where active market quotes are not available. In applying the valuation techniques, management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

1.28 Earnings per Share:

Basic earnings per equity share is computed by dividing the net profit/(loss) attributable to the equity holders of the Group by the weighted average

number of equity shares outstanding during the period.

Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Group by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

1.29 Use of Estimates:

The preparation of consolidated financial statements requires management of the Group to make judgements, estimates and assumptions that affect the reported assets and liabilities, revenue and expenses and disclosures relating to contingent liabilities. Management believes that the estimates used in the preparation of the consolidated financial statements are prudent and reasonable. Estimates and underlying assumptions are reviewed by management at each reporting date. Actual results could differ from these estimates. Any revision of these estimates is recognised prospectively in the current and future periods.

Following are the critical judgements and estimates:

1.30 Business Combinations

The Group accounts for its business combinations under acquisition method of accounting. Acquisition related costs are recognised in the consolidated statement of profit and loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the condition for recognition are recognised at their fair values at the acquisition date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

Purchase consideration paid in excess of the fair value of net assets acquired is recognised as goodwill. Where the fair value of identifiable assets and liabilities exceed the cost of acquisition, after reassessing the fair values of the net assets and contingent liabilities, the excess is recognised as capital reserve.

Business Combination under Common control

Transactions arising from transfers of assets / liabilities, interest in entities or businesses between entities that are under the common control, are accounted at historical carrying amounts. The difference, between any consideration paid / received and the aggregate historical carrying amounts of assets / liabilities and interests in entities acquired // disposed (other than impairment, if any), is recorded in capital reserve / retained earnings, as applicable.

1.31 Goodwill

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in other comprehensive income (OCI) and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the Group recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash generating units that are expected to benefit

from the combination, irrespective of whether other assets or liabilities of the acquire are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

1.32 Dividend distribution to equity shareholders

The Group recognises a liability to make dividend distributions to its equity holders when the distribution is authorised and the distribution is no longer at its discretion. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

In case of Interim Dividend, the liability is recognised on its declaration by the Board of Directors.

1.33 Non-current assets held for sale/ distribution to owners and discontinued operations

The Group classifies non-current assets (or disposal group) as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use.

Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

The criteria for held for sale classification is regarded met only when the assets is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned. The Group treats sale of the asset to be highly probable when:

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- The appropriate level of management is committed to a plan to sell the asset,
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately in the balance sheet.

An impairment loss is recognised for any initial or subsequent write-down of the assets to fair value less cost to sell. A gain is recognised for any subsequent increases in the fair value less cost to sell of an assets but not in excess of the cumulative impairment loss previously recognised, A gain or loss previously not recognised by the date of sale of the non-current assets is recognised on the date of de-recognition.

Property, plant and equipment and intangible assets once classified as held for sale/ distribution to owners are not depreciated or amortised.

A discontinued operation qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- Represents a separate major line of business or geographical area of operations,

- Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations; or
- Is a subsidiary acquired exclusively with a view to resale

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss.

1.34 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

1.35 Research and Development

Research expenditure is recognised as an expense when it is incurred. Development costs are capitalised only after the technical and commercial feasibility of the asset for sale or use has been established. Thereafter, all directly attributable expenditure incurred to prepare the asset for its intended use are recognised as the cost of such assets. Internally generated brands and customer lists are not recognised as intangible assets.

1.36 Recent Accounting Pronouncements

Ministry of Corporate Affairs (“MCA”) notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31st March 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from 1st April 2023, as below:

Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Group does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Group is evaluating the impact, if any, in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are “monetary amounts in financial statements that are subject to measurement uncertainty”. Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Group does not expect this amendment to have any significant impact in its financial statements.

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2. PROPERTY, PLANT AND EQUIPMENT

(₹ in million)

	Land (Freehold)	Factory Building	Office Building	Plant & Machinery	Furniture & Fixture	Office Equipment	Vehicles	Total
Balance as at 31st March 2021	1,715.67	1,777.05	159.89	5,145.57	98.01	67.88	106.72	9,070.79
Foreign Currency Translation Reserve	-	(0.45)	-	(0.87)	(1.36)	0.01	-	(2.67)
Additions	83.35	68.04	0.14	477.11	3.20	12.49	42.33	686.66
Asset reclassified as held for sale	75.77	-	-	-	-	-	-	75.77
Disposals	1.05	2.23	-	21.60	-	0.04	6.58	31.50
Balance as at 31st March 2022	1,722.20	1,842.41	160.03	5,600.21	99.85	80.34	142.47	9,647.51
Foreign Currency Translation Reserve	-	(0.11)	-	(0.23)	(0.35)	(0.01)	-	(0.70)
Additions	25.66	4.04	-	2,056.27	3.32	11.12	8.14	2,108.55
Asset reclassified as held for sale	-	-	-	-	-	-	-	-
Disposals	0.15	-	-	84.55	0.01	0.44	2.97	88.12
Balance as at 31st March 2023	1,747.71	1,846.34	160.03	7,571.70	102.81	91.01	147.64	11,667.24

(₹ in million)

	Land (Freehold)	Factory Building	Office Building	Plant & Machinery	Furniture & Fixture	Office Equipment	Vehicles	Total
Accumulated Depreciation								
Balance as at 31st March 2021	-	204.82	5.88	895.50	19.82	32.72	35.55	1,194.29
Foreign Currency Translation Reserve	-	(0.16)	-	(0.54)	(0.53)	0.02	-	(1.21)
Additions	-	59.10	2.55	356.05	8.77	14.09	13.78	454.34
Asset reclassified as held for sale	-	-	-	-	-	-	-	-
Disposals	-	0.59	-	6.88	-	0.03	3.57	11.07
Balance as at 31st March 2022	-	263.17	8.43	1,244.13	28.06	46.80	45.76	1,636.35
Foreign Currency Translation Reserve	-	(0.04)	-	(0.14)	(0.14)	-	-	(0.32)
Addition on Amalgamation	-	-	-	-	-	-	-	-
Additions	-	60.61	2.54	411.95	9.11	14.31	16.12	514.64
Asset reclassified as held for sale	-	-	-	-	-	-	-	-
Disposals	-	-	-	2.71	-	0.28	1.23	4.22
Balance as at 31st March 2023	-	323.74	10.97	1,653.23	37.03	60.83	60.65	2,146.45
Net Block								
Balance as at 31st March 2022	1,722.20	1,579.24	151.60	4,356.08	71.79	33.54	96.71	8,011.16
Balance as at 31st March 2023	1,747.71	1,522.60	149.06	5,918.47	65.78	30.18	86.99	9,520.79

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

3. RIGHT OF USE ASSETS

(₹ in million)

Particulars	Plant & Machinery	Building	Total
GROSS CARRYING VALUE			
At 31st March 2021	9.24	-	9.24
Addition during the year	-	-	-
At 31st March 2022	9.24	-	9.24
Addition during the year	-	10.96	10.96
Deletion	(9.24)	-	(9.24)
At 31st March 2023	-	10.96	10.96
ACCUMULATED DEPRECIATION			
At 31st March 2021	5.14	-	5.14
Depreciation Expense	1.09	-	1.09
Translation Reserve	1.37	-	1.37
At 31st March 2022	7.60	-	7.60
Depreciation Expense	-	5.48	5.48
Deletion	(7.60)	-	(7.60)
At 31st March 2023	-	5.48	5.48

4 CAPITAL WORK-IN-PROGRESS

(₹ in million)

Particulars	As at 31st March 2023	As at 31st March 2022
Opening Balance	695.29	144.46
Addition during the Year*	3,234.42	847.23
Capitalised during the Year	1,995.04	296.41
Closing Balance	1,934.67	695.29

(a) Capital Work in Progress (CWIP) Ageing Schedule as on 31st March 2023:

(₹ in million)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	1,178.69	282.28	14.88	-	1,475.85
Projects temporarily suspended	362.34	96.48	-	-	458.82
Total	1,541.03	378.76	14.88	-	1,934.67

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

(b) Capital Work in Progress (CWIP) Ageing Schedule as on 31st March 2022:

(₹ in million)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	680.31	14.98	-	-	695.29
Projects temporarily suspended	-	-	-	-	-
Total	680.31	14.98	-	-	695.29

(c) The Company has Capital-work-in progress, whose completion is overdue compared to its original plan. The details of which are given below.

(₹ in million)

CWIP	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects temporarily suspended					
Sulphuric Acid Plant at Saykha	-	-	-	458.82	458.82

There were no CWIP assets where completion was overdue against original planned timelines or where estimated cost exceeded its original plant cost as on 31st March 2022.

* Addition during the year includes borrowing cost of ₹ 137.41 million (PY. ₹13.61 million)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

5. INTANGIBLE ASSETS

	(₹ in million)										
	Goodwill	Computer Software	Membership Fees	Website	Rights	Other Intangibles	Customer Relationship	Brand/ Trademark	Non-Compete	Total	
Gross Block											
Balance as at 31st March 2021	84.75	10.19	8.93	-	0.18	0.34	4.80	51.60	31.10	107.14	
Translation Reserve	-	-	-	-	(0.07)	(0.14)	-	-	-	(0.21)	
Additions	0.47	-	-	-	0.01	0.03	-	-	-	0.51	
Disposals	-	-	-	-	-	-	-	-	-	-	
Balance as at 31st March 2022	84.75	10.66	8.93	-	0.12	0.23	4.80	51.60	31.10	107.44	
Translation Reserve	-	-	-	-	(0.02)	(0.04)	-	-	-	(0.06)	
Additions	2.33	-	-	-	-	-	-	-	-	2.33	
Disposals	-	-	-	-	-	-	-	-	-	-	
Balance as at 31st March 2023	84.75	12.99	8.93	-	0.10	0.19	4.80	51.60	31.10	109.71	
Accumulated Amortisation	-	-	-	-	-	-	-	-	-	-	
Balance as at 31st March 2021	-	5.78	7.14	-	0.02	0.10	0.80	8.60	5.18	27.62	
Translation Reserve	-	-	-	-	(0.01)	(0.07)	-	-	-	(0.08)	
Additions	1.47	0.40	-	-	0.02	0.10	0.48	5.16	3.11	10.74	
Disposals	-	-	-	-	-	-	-	-	-	-	
Balance as at 31st March 2022	-	7.25	7.54	-	0.03	0.13	1.28	13.76	8.29	38.28	
Translation Reserve	-	-	-	-	(0.01)	(0.02)	-	-	-	(0.03)	
Additions	1.59	0.40	-	-	0.01	0.05	0.48	5.16	3.11	10.80	
Disposals	-	-	-	-	-	-	-	-	-	-	
Balance as at 31st March 2023	-	8.84	7.94	-	0.03	0.16	1.76	18.92	11.40	49.05	
Net Block											
Balance as at 31st March 2022	84.75	3.41	1.39	-	0.09	0.10	3.52	37.84	22.81	69.16	
Balance as at 31st March 2023	84.75	4.15	0.99	-	0.07	0.03	3.04	32.68	19.70	60.66	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

6. INVESTMENTS (NON-CURRENT)

(₹ in million)

Particulars	As at 31st March 2023	As at 31st March 2022
Quoted		
Investments in Equity Instruments - carried at FVTPL		
100 (PY. : 100) Equity Shares of Beta Naphthol Ltd.* of ₹ 10/- Each Fully Paid Up	0.00	0.00
6,500 (PY. : 6,500) Equity Shares of Bhageria Industries Ltd. of ₹ 5/- Each Fully Paid Up	0.75	1.44
	0.75	1.44
Less : Impairment Loss*	0.00	0.00
Total of Investments in Equity Instruments	0.75	1.44
Total of Quoted Investments	0.75	1.44
* Provision for impairment loss on 100 Equity Shares of Beta Naphthol Ltd. of ₹ 10/- Each Fully Paid Up		
Unquoted		
Investment in Associate Concern		
2,500 (PY. : Nil) Equity Shares of Plutoeco Enviro Association of ₹ 10/- Each Fully Paid Up	0.03	0.03
Investments in other entities		
250 (PY. : 250) Equity Shares of Green Environment Ser. Co-op.Soc. Ltd. of ₹ 100/- each Fully Paid Up	0.03	0.03
1,02,350 (PY. : 1,02,350) Equity Shares of Bharuch Enviro Infrastructure Ltd of ₹ 10/-each Fully Paid Up	1.02	1.02
100 (PY. : 100) Equity Shares of Guj.Ind. Waste Mng. Co. Ltd. of ₹ 10/- Each Fully Paid Up*	0.00	0.00
10 (PY. : 10) Equity Shares of The Bhagyodaya Co-op. Bank Ltd. of ₹ 100/- Each Fully Paid Up	0.00	0.00
Nil (PY. : 10,200) Equity Shares of Panoli Enviro 9 Technology Ltd. of ₹ 10/- Each Fully Paid Up	-	0.10
3,542 (PY. : 3,542) Equity Shares of Makarpura Ind.Est. Co-op. Bank Ltd. of ₹ 25/- Each Fully Paid Up	0.09	0.09
Total of Investments in Equity Instruments (Unquoted)	1.17	1.27
Less : Impairment Loss*	0.00	0.00
Total of Unquoted Investments	1.17	1.27
Total of Non-Current Investments	1.92	2.71

* Provision for impairment loss on 100 Equity Shares of Guj.Ind. Waste Mng. Co. Ltd. of ₹ 10/- Each Fully Paid Up

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

7. LOANS (NON-CURRENT)

(₹ in million)

Particulars	As at 31st March 2023	As at 31st March 2022
(Unsecured and Considered Good)		
Loans to Employees	30.30	17.21
Total	30.30	17.21

8. OTHER FINANCIAL ASSETS (NON-CURRENT)

(₹ in million)

Particulars	As at 31st March 2023	As at 31st March 2022
Security Deposits	186.75	136.93
Margin Money Deposits with bank with maturity after twelve months from the reporting date*	77.40	35.87
Total	264.15	172.80

* Held as lien by bank against bank guarantees and letters of credit.

9. OTHER NON-CURRENT ASSETS

(₹ in million)

Particulars	As at 31st March 2023	As at 31st March 2022
(Unsecured and Considered Good)		
Capital Advance	640.07	609.13
Balance With Statutory Authorities	7.28	7.49
Pre-paid Expenses	1.36	1.02
Gratuity Planned Assets (Net)	3.24	-
Total	651.95	617.64

9.1 Capital Advances include ₹ 14.95 million (P.Y. : ₹ 14.43 million) to related parties. (refer note 40)

9.2 Balance with Statutory Authorities includes balances with GST, Excise, Service Tax, Sales Tax, Customs Dept., etc.

10. INVENTORIES

(₹ in million)

Particulars	As at 31st March 2023	As at 31st March 2022
(Valued at the lower of cost or net realisable value)		
a) Raw Materials	583.66	1,397.04
Raw Materials in Transit	56.91	83.29
	640.57	1,480.33

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

(₹ in million)

Particulars	As at 31st March 2023	As at 31st March 2022
b) Finished Goods	535.28	634.69
Finished Goods in Transit	130.86	161.00
	666.14	795.69
c) Stock In Process	1,317.56	1,867.14
	1,317.56	1,867.14
d) Stock In Trade	97.36	50.76
	97.36	50.76
e) Packing Materials	14.82	20.52
Packing Materials in Transit	0.13	0.39
	14.95	20.91
f) Stock of Fuel	13.52	32.64
Fuel in Transit	0.75	0.68
	14.27	33.32
g) Stores and Spares	173.81	195.32
Stores and spares in Transit	0.63	2.79
	174.44	198.11
Total	2,925.29	4,446.26

11. TRADE RECEIVABLES

(₹ in million)

Particulars	As at 31st March 2023	As at 31st March 2022
Trade receivables		
Secured & Considered Good	3.51	4.35
Unsecured & Considered Good	4,212.37	5,897.97
Less : Allowance for Impairment (refer note 36)	(13.06)	(6.03)
Total	4,202.82	5,896.29
Customers Bill Discounted	621.19	997.98
Other Trade Receivables	3,581.63	4,898.31
Total	4,202.82	5,896.29

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

11.1 Trade Receivables include ₹ 2.13 million (P.Y. : ₹ 2.13 million) to related parties. (refer note 40)

(a) Trade Receivables Ageing Schedule as on 31st March 2023:

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 Months - 1 Year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	3,698.10	259.26	166.17	77.93	14.42	4,215.88
ii) Undisputed Trade Receivables – which have a significant increase in credit risk.	-	-	-	-	-	-
iii) Undisputed Trade Receivables – credit impaired.	-	-	-	-	-	-
(i) Disputed Trade receivables – considered good	-	-	-	-	-	-
ii) Disputed Trade Receivables – which have a significant increase in credit risk.	-	-	-	-	-	-
iii) Disputed Trade Receivables – credit impaired.	-	-	-	-	-	-
Total	3,698.10	259.26	166.17	77.93	14.42	4,215.88
Less : Allowances for Credit Losses						13.06
Trade Receivables						4,202.82

(b) Trade Receivables Ageing Schedule as on 31st March 2022:

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 Months - 1 Year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	5,662.52	75.67	48.98	2.67	112.48	5,902.32
ii) Undisputed Trade Receivables – which have a significant increase in credit risk.	-	-	-	-	-	-
iii) Undisputed Trade Receivables – credit impaired.	-	-	-	-	-	-
(i) Disputed Trade receivables – considered good	-	-	-	-	-	-
ii) Disputed Trade Receivables – which have a significant increase in credit risk.	-	-	-	-	-	-
iii) Disputed Trade Receivables – credit impaired.	-	-	-	-	-	-
Total	5,662.52	75.67	48.98	2.67	112.48	5,902.32
Less : Allowances for Credit Losses						6.03
Trade Receivables						5,896.29

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

12. CASH AND BANK BALANCES

(₹ in million)

Particulars	As at 31st March 2023	As at 31st March 2022
Cash & Cash Equivalents		
Cash on hand	2.37	2.68
Balance with Banks		
in Current Accounts	110.22	54.12
in Fixed Deposits	55.43	36.20
Total	168.02	93.00

13. OTHER BANK BALANCES

(₹ in million)

Particulars	As at 31st March 2023	As at 31st March 2022
Margin Money Deposits with bank *	14.75	54.55
Unclaimed Dividend Accounts	3.99	3.93
Total	18.74	58.48

* Held as lien by bank against bank guarantees and letters of credit.

14. LOANS (CURRENT)

(₹ in million)

Particulars	As at 31st March 2023	As at 31st March 2022
(Unsecured & considered good)		
Loans to Employees	22.60	47.82
Total	22.60	47.82

15. OTHER FINANCIAL ASSETS (CURRENT)

(₹ in million)

Particulars	As at 31st March 2023	As at 31st March 2022
Derivative Assets	4.70	-
Security Deposits	0.39	0.95
Other Receivables	34.02	12.92
Total	39.11	13.87

15.1 Other receivables include accrued interest on deposits and other claim receivables.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

16. OTHER CURRENT ASSETS

(₹ in million)

Particulars	As at 31st March 2023	As at 31st March 2022
Export Incentives Receivables	21.53	87.02
Advance to Suppliers	512.81	201.47
Balance with Statutory Authorities	468.98	321.14
Pre-paid Expenses	37.77	37.19
Gratuity Planned Assets (Net)	12.16	-
Others	9.82	13.15
Total	1,063.07	659.97

16.1 Balance with statutory authorities includes balances with GST, Customs, etc.

16.2 Others include Tour Advances, Discount Receivable, etc.

16.3 Advance to Suppliers include ₹ 1.52 million (P.Y. : ₹ 0.66 million) to related parties. (refer note 40)

17. EQUITY SHARE CAPITAL

(₹ in million)

Particulars	As at 31st March 2023	As at 31st March 2022
Authorised Share Capital		
21,82,50,000 (P.Y. : 21,00,00,000) Equity Shares of ₹ 2/- each	436.50	420.00
2,75,00,000 (P.Y. : 2,75,00,000) Preference Share of ₹ 10/- each	275.00	275.00
	711.50	695.00
Issued, Subscribed & Paid up Share Capital		
12,56,23,465 (P.Y. : 12,24,81,665) Equity shares of ₹ 2/- each	251.25	244.96
Total	251.25	244.96

17.1 Pursuant to the Scheme of Amalgamation u/s 230 to 233 and other applicable Provisions of the Companies Act, 2013, Pursuant to the Scheme of amalgamation of SPS Processors Pvt. Ltd. (Transferor Company) with Bodal Chemicals Ltd ("the Company"), with effect from 1st April 2021 (appointed date), as approved by the Hon'ble NCLT, Ahmedabad Bench vide its order dated 2nd November 2022; Authorised Share Capital of SPS Processors Pvt. Ltd. of ₹ 1,65,00,000/- has been added in the Authorised Share Capital of the Company.

17.2 Reconciliation of the number of Shares

(₹ in million)

Particulars	As at 31st March 2023	As at 31st March 2022
	No. of Shares	No. of Shares
Equity Shares		
Opening balance	12,24,81,665	12,23,30,165
Issue of Shares under Common Control	29,70,700	
Issue of Shares under ESOP (refer Note 46)	1,71,100	1,51,500
Closing balance	12,56,23,465	12,24,81,665

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

17.3 Rights, preferences and restrictions attached to shares

Equity shares

The Parent Company has only one class of equity shares having a par value of ₹ 2/- per share. Each shareholder is eligible for one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

Preference shares

The Parent Company has only one class of non-convertible, non-cumulative redeemable preference shares having a par value of ₹ 10/- per share. Each shareholder shall have a right to attend general meeting of the Company and vote on resolutions directly affecting their interest. In the event of liquidation, the preference shareholders shall be entitled to a preferential right of return of the amount paid up on the shares, but shall not have any further right or claim over the surplus asset of the Company. The holder of these shares shall be entitled to receive dividend at fixed rate i.e. @ 9% on paid up value of shares subject to declaration of dividend by the parent company but do not have right to participate in surplus profit.

17.4 Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company.

(₹ in million)

Name of Shareholder	As at 31st March 2023		As at 31st March 2022	
	No. of Shares	% held	No. of Shares	% held
Equity Shares :				
Shri Suresh J. Patel	3,71,12,857	29.54	3,71,12,857	30.30
Shri Bhavin S. Patel	1,04,96,342	8.36	1,04,96,342	8.57
Shri Ankit S. Patel	72,61,072	5.78	72,61,072	5.93
Shakuntala J Patel	66,64,740	5.31	66,64,740	5.44
Samyaktva Construction LLP	57,50,000	4.58	67,50,000	5.51

17.5 Promoters' Shareholding as on 31st March 2023

Shares held by promoters at the end of the year

Promoter's Name	No. of Shares	% of Total Shares	% Change during the Year
1. Suresh J. Patel	3,71,12,857	29.54	(0.76)
2. Bhavin S. Patel	1,04,96,342	8.36	(0.21)
3. Ankit S. Patel	72,61,072	5.78	(0.15)
4. Meenaben S. Patel	52,28,960	4.16	(0.11)
5. Ramesh P. Patel	3,85,299	0.31	-
6. Rakesh R. Patel	44,442	0.04	-
7. Bansibhai M. Patel	31,680	0.03	-
8. Ramesh Prabodhchandra Patel HUF	24,390	0.02	-
9. Shakuntala J. Patel	66,64,740	5.31	(0.13)
10. Ramesh D. Patel	49,45,880	3.94	(0.10)

*During the financial year, holding of Promoter and promoter group of the Company remains same by number of shares but due to allotment of shares under common control and ESOP, percentage of their shareholding is changed.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

17.6 Promoters' Shareholding as on 31st March 2022

Shares held by promoters at the end of the year

Promoter's Name	No. of Shares	% of Total Shares	% Change during the Year
1. Suresh J. Patel	3,71,12,857	30.30	(0.04)
2. Bhavin S. Patel	1,04,96,342	8.57	(0.01)
3. Ankit S. Patel	72,61,072	5.93	(0.01)
4. Meenaben S. Patel	52,28,960	4.27	-
5. Ramesh P. Patel	3,85,299	0.31	-
6. Rakesh R. Patel	44,442	0.04	-
7. Bansibhai M. Patel	31,680	0.03	-
8. Ramesh Prabodhchandra Patel HUF	24,390	0.02	-
9. Shakuntala J. Patel	66,64,740	5.44	(0.01)
10. Ramesh D. Patel	49,45,880	4.04	-

*During the financial year, holding of Promoter and promoter group of the Company remains same by number of shares but due to allotment of shares under ESOP, percentage of their shareholding is changed.

17.7 The Board of directors has recommended a final dividend of ₹ 0.10 (P.Y. : ₹ 0.80) per equity share for the financial year ended 31st March 2023. The proposal is subject to the approval of shareholders at the annual general meeting and hence is not recognised as a liability.

18. OTHER EQUITY

Particulars	(₹ in million)	
	As at 31st March 2023	As at 31st March 2022
Capital Reserves		
At the commencement of the year	562.52	568.56
Add : Addition due to Common Control	-	0.18
Add : Adjustment due to Common Control	-	(6.22)
At the end of the year	562.52	562.52
Capital Redemption Reserve	289.67	289.67
Securities Premium		
At the commencement of the year	2,417.43	2,406.16
Add : Premium on shares issued under ESOP	18.18	11.27
At the end of the year	2,435.61	2,417.43
Employee Stock Options Outstanding Account (refer note 46)	13.50	11.32
General Reserve	138.86	138.86
Share Capital to be issued under Common Control	-	5.94
Retained Earnings		
At the commencement of the year	6,775.66	6,152.46
Senior's Non-Controlling Interest adjusted	-	(308.02)
Add : Profit during the year	380.33	1,042.28
Add : Remeasurements of Net Defined Benefit Plans (Net of tax)	0.47	(13.08)
	7,156.46	6,873.64
Less : Appropriations :		
Dividend on Equity Shares	98.12	97.98
At the end of the year	7,058.34	6,775.66
Other Comprehensive Income		
Foreign Currency Translation Reserve	27.28	77.15
Total	10,525.78	10,278.55

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

18.1 Nature and purpose of Reserves

Capital Reserve

Capital reserve is utilised in accordance with provision of the Act.

Capital Redemption Reserve

Capital redemption reserve created during redemption of Preference Shares and is a non-distributable reserve.

Securities Premium

Securities Premium has been created consequent to issue of shares at premium. These reserves can be utilised in accordance with Section 52 of the Companies Act, 2013.

General Reserve

General reserve is created from time to time by way of transfer profits from retained earnings for appropriation purposes.

Retained Earnings

Retained earnings represents the amount of profits of the Group earned till date net of appropriation that can be distributed by the Company as dividends considering the requirements of the Companies Act, 2013.

19. BORROWINGS (NON-CURRENT)

Particulars	(₹ in million)	
	As at 31st March 2023	As at 31st March 2022
Secured		
Term loan from Banks	3,618.33	2,137.36
Total	3,618.33	2,137.36

19.1 Nature of security and terms of repayment for non-current secured borrowings:

The HDFC term loan amounting to ₹ 1,375.99 million (P. Y. : ₹ 1,064.00 million) carries an interest rate of 9.20% (P. Y. 6.70%)

The EXIM term loan amounting to ₹ 946.29 million (P. Y.: ₹ 946.04 million) carries an interest rate of 8.05% (P.Y. 6.75%)

The term loan payable to Union bank for Saykha Project amounting to ₹ 342.58 million (P.Y. : ₹ 127.32 million) carries an interest rate of 8.25% (P.Y. 7.25%)

The term loan payable to Union bank for SCC project amounting to ₹ 402.25 million (P.Y. : ₹ NIL) carries an interest rate of 8.65% (P.Y. NIL)

The term loan payable to Indian bank amounting to ₹ 1034.86 million (P.Y. NIL) carries an interest rate of 8.10% (P.Y. NIL)

The EXIM term loan amounting to ₹ 187.00 million (P. Y. NIL) carries an interest rate of 8.60% (P.Y. NIL)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

19.2 These facilities are secured by first paripassu mortgage /hypothecation and charge on all the Company's movable and immovable properties created or acquired at

- i) Unit VII - Block No. 804, Village - Dudhwada, Ta. Padra, Dist. Vadodra, Gujarat
- ii) Unit VIII - Block No. 106, 108, Village: Ekalbara, Ta. Padra, Dist. Vadodra, Gujarat
- iii) Unit X - Plot No. 525, Village: Dudhwada, Ta: Padra, Dist. Vadodra, Gujarat
- iv) Saykha - Plant / Unit at Saykha project
- v) Plant / Unit at SIEL Chemical complex

A second paripassu charge on all the Parent Company's current assets and receivables, including book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature and wherever arising, present and future

The loan is repayable in 23 Half Yearly instalments, the first instalment payable in June 2023 and the last instalment payable in December 2028.

19.3 Current Maturities of Long Term Borrowings (Refer Note 20) of ₹ 670.65 million (P.Y. : Nil)

20. PROVISIONS (NON-CURRENT)

Particulars	(₹ in million)	
	As at 31st March 2023	As at 31st March 2022
Provision for Gratuity (refer note 42)	-	2.43
Total	-	2.43

21. BORROWINGS (CURRENT)

Particulars	(₹ in million)	
	As at 31st March 2023	As at 31st March 2022
Secured		
Working Capital Loans from Banks	2,301.85	2,479.42
Borrowing Bill Discounted (Secured)	621.19	997.98
Current Maturities of Long Term Debt	670.65	-
Unsecured		
Working Capital Loans from Banks	383.70	639.99
Commercial Papers (refer note 21.2)	-	500.00
Loans From Directors	0.23	0.24
	3,977.62	4,617.63
Borrowings - Others	3,356.43	3,619.65
Borrowings - Customers Bill Discounted	621.19	997.98
Total	3,977.62	4,617.63

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

21.1 Secured Loan : Working capital loans from banks are secured by hypothecation of inventories, book debts and bills drawn under letters of credit and confirmed contracts and collaterally secured by equitable mortgage of immovable property and hypothecation of Plant & Machinery of Unit-7, Unit-8 and Unit-10 of the Parent Company.

Rate of interest is from 3.56% to 9.05% (P.Y. 0.38% to 7.60%)

21.2 Maximum amount outstanding towards Commercial Papers is ₹ NIL (P.Y. : 500 million)

21.3 There were no discrepancies between the Half Yearly returns/statements submitted to bank for current assets given as security and the books of account for the respective Half Year.

22. TRADE PAYABLES

(₹ in million)

Particulars	As at	As at
	31st March 2023	31st March 2022
(a) Total outstanding dues of Micro Enterprises and Small Enterprises	100.05	99.43
(b) Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	1,790.63	2,452.79
Total	1,890.68	2,552.22

22.1 Trade Payable include ₹ 2.89 million (P.Y. : ₹ 63.63 million) to related parties. (refer note 40)

(a) Trade Payables Ageing Schedule as on 31st March 2023:

(₹ in million)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	100.05	-	-	-	100.05
(ii) Others - billed	1,224.55	2.22	3.21	1.79	1,231.77
(iii) Others - unbilled	558.86	-	-	-	558.87
(iii) Disputed Dues - MSME	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-
Total	1,883.46	2.22	3.21	1.79	1,890.68

(b) Trade Payables Ageing Schedule as on 31st March 2022:

(₹ in million)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	99.40	0.01	-	0.02	99.43
(ii) Others	2,050.97	7.36	1.76	2.93	2,063.02
(iii) Disputed Dues - MSME	389.77	-	-	-	389.77
(iv) Disputed Dues - Others	-	-	-	-	-
Total	2,540.14	7.37	1.76	2.95	2,552.22

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

23. OTHER FINANCIAL LIABILITIES (CURRENT)

(₹ in million)

Particulars	As at 31st March 2023	As at 31st March 2022
Trade Deposits	19.69	19.87
Unclaimed Dividends	3.99	3.93
Payable for Purchase of Property, Plant and Equipments	183.47	181.55
Payable for Investments	-	316.48
Derivative Liabilities	-	0.06
Other Payables	5.15	13.56
Total	212.30	535.45

23.1 Other Payables include interest payable and payable to employees.

24. OTHER CURRENT LIABILITIES

(₹ in million)

Particulars	As at 31st March 2023	As at 31st March 2022
Advance Received from Customers	47.28	29.57
Statutory Liabilities	68.47	135.06
Other Liabilities	0.70	0.47
Total	116.45	165.10

24.1 Statutory liabilities represent amounts payable towards GST, TDS etc.

25. PROVISIONS (CURRENT)

(₹ in million)

Particulars	As at 31st March 2023	As at 31st March 2022
Provision for Gratuity (refer note 42)	-	0.93
Total	-	0.93

26. REVENUE FROM OPERATIONS

(₹ in million)

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Sale of products	15,444.74	20,314.14
Other Operating Income		
Export Incentives	114.75	192.47
Scrap Sales	34.27	35.40
Other Operating Income	149.04	10.50
Total	298.06	238.37
Total Revenue From Operations	15,742.80	20,552.51

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

27. OTHER INCOME

(₹ in million)

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Interest Income		
On Deposits	4.81	4.93
On Insurance Claim	6.01	-
On Others*	67.76	113.45
Profit on Sale of Investments measured through profit and loss (Net)	0.43	40.10
Fair Value Gain /(Loss) on Investments measured through profit or loss	3.18	0.42
Reversal of Allowance for Doubtful Debts	-	0.08
Profit on Sale of Property, Plant & Equipment (Net)	13.59	7.07
Recovery of Bad Debts	-	0.23
Dividend Income	0.28	1.68
Liabilities no Longer Required Written Back	0.14	0.03
Other Income	19.93	3.32
Total	116.13	171.31

* Other interest income includes interest income on income tax refund of ₹ 17.63 million (P.Y. Nil); from Electricity Companies of ₹ 6.56 million (P.Y. : ₹ 5.99million), interest on delayed payments, etc.

28. COST OF MATERIALS CONSUMED

(₹ in million)

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Opening Stock	1,480.33	1,039.58
Add: Purchases during the year	7,417.77	12,495.37
	8,898.10	13,534.95
Less: Closing Stock	640.57	1,480.33
Total	8,257.53	12,054.62

29. PURCHASE OF STOCK IN TRADE

(₹ in million)

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Purchase of Stock in Trade	148.36	303.27
Total	148.36	303.27

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

30. CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK IN PROCESS & STOCK IN TRADE

(₹ in million)

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Inventories at the end of the year		
Finished Goods	666.14	795.69
Stock In Process	1,317.56	1,867.14
Stock - in Trade	97.36	50.76
Total (A)	2,081.06	2,713.59
Inventories at the beginning of the year		
Finished Goods	795.69	713.57
Stock In Process	1,867.14	1,020.05
Stock - in Trade	50.76	137.20
Total (B)	2,713.59	1,870.82
Changes In Inventories Of Finished Goods, Stock In Process & Stock in Trade	632.53	(842.77)

31. EMPLOYEE BENEFIT EXPENSES

(₹ in million)

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Salaries, Wages & Bonus	807.92	986.47
Contribution to Provident & Other Funds (refer note 42)	52.98	50.07
Employee Share Based Payments (refer note 45)	18.98	(0.59)
Staff Welfare Expenses	68.18	68.60
Total	948.06	1,104.55

32. FINANCE COSTS

(₹ in million)

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Other Interest Expenses	391.37	274.49
Interest Expense on Lease Liability	0.73	0.26
Loan Processing Fees & Bank Charges	18.15	20.02
Total	410.25	294.77

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

33. DEPRECIATION AND AMORTISATION EXPENSE

(₹ in million)

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Depreciation on Tangible Assets (refer note 2)	514.64	454.34
Amortisation of Right of Use of Assets (refer note 3)	5.48	1.09
Amortisation on Intangible Assets (refer note 5)	10.80	10.74
Total	530.92	466.17

34. OTHER EXPENSES

(₹ in million)

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Stores Consumption	312.57	486.19
Power & Fuel Consumption	1,969.45	2,554.52
Repairs to		
Machinery	251.37	361.07
Building	40.89	39.60
Others	8.19	8.42
Pollution Control Expenses	165.72	223.42
Chlorine/HCL Disposal Charges	170.51	46.31
Rent & Taxes	25.87	25.72
Labour Charges	270.53	392.70
Insurance Expenses	43.26	39.27
Corporate Social Responsibility Expenses	22.27	26.16
Directors' Sitting fees	1.15	0.94
Travelling & Vehicle Expense	49.98	42.70
Payment to Auditors	2.02	3.28
Legal & Professional Fees	74.91	103.47
Exchange Rate Difference (Net)	47.74	63.70
Packing Material Consumption	212.56	276.59
Freight & Handling Charges	501.81	632.84
Advertisement & Business Promotion Expenses	14.06	15.77
Sales Commission	79.19	196.97
Impairment Loss under Expected Credit Loss Model	7.03	-
Other Expenses	151.84	195.21
Total	4,422.92	5,734.85

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

34.1. EXCEPTIONAL ITEMS

Exceptional item for the year ended 31st March 2022 includes exchange rate fluctuations recorded at the subsidiary i.e. Sen-er Boya, Turkey, consequent to sharp depreciation of Turkish Lira (TRY) against the US dollar and Indian Rupees as at 31st December 2021. The US Dollar against TRY was 8.8433 and 13.0009 and the TRY against INR was 8.3484 and 5.5937 as at 30th September 2021 and 31st December 2021 respectively. The exchange rate fluctuations largely include the restatement of USD Loan, Trade liabilities and the restatement of the foreign operations of the Group in Turkey as at 31st December 2021.

35 FINANCIAL INSTRUMENTS CLASSIFICATION BY CATEGORY

(₹ in million)

Particulars	As at 31st March 2023	As at 31st March 2022
Financial Assets		
Financial Assets measured at fair value through profit and loss		
Investments in Quoted Equity Shares	0.75	1.44
Derivative Assets	4.70	-
Financial Assets measured at amortised cost		
Investments in Unquoted Equity Shares	1.17	1.27
Loans	52.90	65.03
Trade Receivables	4,202.82	5,896.29
Cash and Cash Equivalents	168.02	93.00
Other Bank Balances	18.74	58.48
Other Financial Assets	298.56	186.67
Total Financial Assets	4,747.66	6,302.18

(₹ in million)

Particulars	As at 31st March 2023	As at 31st March 2022
Financial Liabilities		
Financial Liabilities measured at fair value through profit and loss		
Derivative Liabilities	-	0.06
Financial Liabilities measured at amortised cost		
Borrowings	7,595.95	6,754.99
Lease Liabilities	5.72	1.81
Trade Payables	1,890.68	2,552.22
Other Financial Liabilities	212.30	535.39
Total Financial Liabilities	9,704.65	9,844.47

Fair Value Hierarchy

Financial Assets measured at fair value 31st March 2023

(₹ in million)

Particulars	Level 1	Level 2	Level 3	Total
Financial Assets				
Measured at fair value through profit or loss				
Investments in quoted equity shares	0.75	-	-	0.75
Derivative Assets	-	4.70	-	4.70

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

Financial Assets measured at fair value 31st March 2022

Particulars	Level 1	Level 2	Level 3	Total
Financial Assets				
Measured at fair value through profit or loss				
Investments in quoted equity shares	1.44	-	-	1.44
Financial Liabilities				
Derivative Liabilities	-	0.06	-	0.06

The Group has disclosed financial instruments such as cash and cash equivalents, other bank balances, trade receivables, loans, other financial assets, borrowings, trade payables and other financial liabilities at carrying value because their carrying amounts are a reasonable approximation of the fair values due to their short term nature.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: The fair value of financial instruments that are measured on the basis of entity specific valuations using inputs that are not based on observable market data (unobservable inputs).

Valuation technique used to determine fair value:

Specific valuation techniques used to value financial instruments include:

- ✓ the use of quoted market prices or dealer quotes for similar instruments
- ✓ the fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date
- ✓ The fair value of investments in Mutual Fund Units is based on Net Asset Value ("NAV") as stated by the issuers of these mutual fund units in the published statements as at the Balance Sheet Date. NAV represents the price at which the issuer will issue further units of Mutual Fund and the price at which issuers will redeem such units from investors.

36 FINANCIAL RISK MANAGEMENT

The Group's activities expose it to market risk, liquidity risk and credit risk. In order to minimise any adverse effects on the financial performance of the Group, derivative financial instruments, such as foreign exchange forward contracts are entered to hedge certain foreign currency risk exposures. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

This note explains the sources of risk which the Group is exposed to and how the Group manages the risk and the impact of hedge accounting in the financial statements

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

(A) Credit Risk Management

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. Credit risk arises primarily from financial assets such as trade receivables, investment in mutual funds, derivative financial instruments, other balances with banks, loans and other receivables.

Credit risk arising from investment in quoted equity shares, mutual funds, derivative financial instruments and other balances with banks is limited and there is no collateral held against these because the counterparties are banks and recognised financial institutions with high credit ratings assigned by the international credit rating agencies.

The Group is making provision on trade receivables based on Expected Credit Loss Model (ECL) as below:

No. of Days for which amount is due	<=60 Days	61-120 Days	121-180 Days	181-360 Days	>360 Days
% of Provision	0%	0.25%	0.50%	0.75%	1%

Reconciliation of loss allowance provision

(₹ in million)

Reconciliation of Loss Allowance	FY 2022-23	FY 2021-22
Opening Balance	6.03	6.11
(Reversal) / Recognition of loss allowance measured as per ECL	7.03	(0.08)
Write off Bad Debts	-	-
Closing Balance (As reported in Note 10)	13.06	6.03

(B) Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Group treasury maintains flexibility in funding by maintaining availability at all times.

The table below analyses financial liabilities of the Group into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

As at 31st March 2023

(₹ in million)

	Less than 1 year	Between 1-5 years	More than 5 years	Total	Carrying Value
Financial Liabilities					
Borrowings	3,977.62	2,160.89	1,457.44	7,595.95	7,595.95
Lease Liability	5.72	-	-	5.72	5.72
Trade Payables	1,890.68	-	-	1,890.68	1,890.68
Other Financial Liabilities	212.30	-	-	212.30	212.30

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

As at 31st March 2022

(₹ in million)

	Less than 1 year	Between 1-5 years	More than 5 years	Total	Carrying Value
Financial Liabilities					
Borrowings	4,617.63	2,137.36	-	6,754.99	6,754.99
Trade Payables	2,552.22	-	-	2,552.22	2,552.22
Other Financial Liabilities	535.45	-	-	535.45	535.45

(C) Market Risk Management

i) Foreign Currency Risk

The Group operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD, EUR, TL, RMB and TAKA. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Group's functional currency (INR). The risk is measured through a forecast of highly probable foreign currency cash flows.

(A) Foreign currency risk exposure

(Amount in million)

Particulars	31st March 2023						
	USD	EUR	GBP	TL	RMB	TAKA	IDR
Financial Assets							
Trade Receivables	6.92	0.04	-	69.53	6.27	-	1,889.47
Cash & Cash Equivalents	-	-	-	12.94	4.33	0.03	962.04
Other Receivables	-	-	-	0.02	-	-	118.49
Financial Liabilities							
Payable for Purchase of Property, Plant and Equipments	0.14	-	-	-	-	-	-
Trade Payables	4.24	0.00	-	0.12	-	-	332.80
Other Payables	-	-	-	0.22	0.17	-	-
Borrowings	14.68	-	-	12.73	-	-	-
Net Exposure	(12.14)	0.04	-	69.42	10.43	0.03	2,637.20

(Amount in million)

Particulars	31st March 2022						
	USD	EUR	GBP	TL	RMB	TAKA	IDR
Financial Assets							
Trade Receivables	15.18	0.00	-	96.68	2.45	-	-
Cash & Cash Equivalents	-	-	-	7.03	0.60	1.27	-
Other Receivables	-	-	-	1.29	0.19	-	-
Financial Liabilities							
Trade Payables	4.90	0.00	0.11	0.21	0.07	-	-
Other Payables	-	-	-	0.88	0.18	-	-
Lease Liabilities	-	-	-	0.35	-	-	-
Borrowings	20.04	-	-	68.20	-	-	-
Net Exposure	(9.75)	0.00	(0.11)	35.35	2.99	1.27	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

(B) Foreign currency forward contract outstanding as at the Balance Sheet date.

(Amount in million)

	Buy/Sell	As at 31st March 2023	As at 31st March 2022
Forward contact USD	Sell	6.94	1.32
Forward contact EURO	Sell	0.16	-
Forward contact USD	Buy	1.93	-

The forward contracts have been entered into to hedge the foreign currency risk on trade receivables and borrowings.

(C) Sensitivity (+/-5%)

(₹ in million)

Currency	FY 2022-23			FY 2021-22		
	Movement in Rate	Impact on PAT	Impact on Other Equity	Movement in Rate	Impact on PAT	Impact on Other Equity
USD	5.00%	(37.33)	(37.33)	5.00%	(27.66)	(27.66)
USD	-5.00%	37.33	37.33	-5.00%	27.66	27.66
EUR	5.00%	0.14	0.14	5.00%	0.01	0.01
EUR	-5.00%	(0.14)	(0.14)	-5.00%	(0.01)	(0.01)
GBP	5.00%	-	-	5.00%	(0.40)	(0.40)
GBP	-5.00%	-	-	-5.00%	0.40	0.40
TL	5.00%	11.13	11.13	5.00%	6.84	6.84
TL	-5.00%	(11.13)	(11.13)	-5.00%	(6.84)	(6.84)
RMB	5.00%	4.67	4.67	5.00%	1.34	1.34
RMB	-5.00%	(4.67)	(4.67)	-5.00%	(1.34)	(1.34)
TAKA	5.00%	0.00	0.00	5.00%	0.04	0.04
TAKA	-5.00%	(0.00)	(0.00)	-5.00%	(0.04)	(0.04)
IDR	5.00%	0.54	0.54	5.00%	-	-
IDR	-5.00%	(0.54)	(0.54)	-5.00%	-	-

ii) Cash flow and fair value interest rate risk

The Group's interest rate risk arises mainly from borrowings with variable rates, which expose the Group to cash flow interest rate risk. During 31st March 2023 and 31st March 2022, the Group's borrowings at variable rate were mainly denominated in INR & USD.

The Group's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

(a) Interest rate risk exposure

(₹ in million)

Particulars	31st March 2023	31st March 2022
Variable Rate borrowings	7,512.02	6,254.75
Fixed Rate Borrowings	83.70	500.00

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

At the end of reporting period the Group had the following variable rate borrowings.

(₹ in million)

Particulars	31st March 2023			31st March 2022		
	Average Interest Rate	Balance	%of Total Loan	Average Interest Rate	Balance	%of Total Loan
Cash Credit Facility	7.82%	257.83	3.43%	7.56%	13.28	0.21%
Short Term Financing Facility	16.41%	54.56	0.73%	15.78%	352.91	5.64%
Working Capital Loan Facility	7.33%	1,709.37	22.76%	4.92%	2,232.83	35.70%
Packing Credit Facility	4.01%	421.39	5.61%	1.05%	376.77	6.02%
Buyers Credit Facility	3.44%	158.70	2.11%	0.63%	143.62	2.30%
Bills Discounting Facility	3.56%	621.19	8.27%	1.09%	997.98	15.96%
Term Loan	7.46%	4,288.98	57.09%	6.75%	2,137.36	34.17%
Net Exposure		7,512.02	100.00%		6,254.75	100.00%

At the end of reporting period the Group had the following fixed rate borrowings.

(₹ in million)

Particulars	31st March 2023			31st March 2022		
	Average Interest Rate	Balance	%of Total Loan	Average Interest Rate	Balance	%of Total Loan
Commercial Paper/Reverse Factoring Facility	4.61%	83.70	100.00%	4.61%	500.00	100.00%
Net Exposure		83.70	100.00%		500.00	100.00%

Sensitivity (+/- 1%)

(₹ in million)

Particulars	Movement in Rate	As at	
		31-Mar-23	31-Mar-22
Interest Rates	1.00%	56.21	46.81
Interest Rates	-1.00%	(56.21)	(46.81)

iii) Security Price Risk

The Group's exposure to securities price risk arises from investments held by the Group and classified in the balance sheet at fair value through profit or loss.

To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.

Sensitivity (+/- 5%)

(₹ in million)

Particulars	Investment in Quoted Securities			
	31-Mar-23		31-Mar-22	
Increase/(decrease)	5%	-5%	5%	-5%
Impact on PAT	0.03	(0.03)	0.05	(0.05)

37 CAPITAL MANAGEMENT

The Group's objectives when managing capital are to

- ✓ safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

- ✓ Maintain an optimal capital structure to reduce the cost of capital.

Consistent with others in the industry, the Group monitors capital on the basis of the following gearing ratio:

Net debt (total borrowings net of cash and cash equivalents) divided by Total 'equity' (as shown in the balance sheet, including non-controlling interests).

(₹ in million)		
Particulars	31st March 2023	31st March 2022
Total Borrowings	7,595.95	6,754.99
Less : Cash and Cash Equivalents	168.02	93.00
Net Debt	7,427.93	6,661.99
Total Equity	10,777.03	10,523.51
Gearing Ratio	0.69	0.63

38 (a) Income Taxes

(₹ in million)		
Particulars	31st March 2023	31st March 2022
Current Tax	56.09	438.60
Taxes of earlier years	(99.70)	(3.94)
Deferred Tax	171.64	(0.84)
Total Tax Expenses (excluding deferred tax benefit on OCI)	128.03	433.82

Reconciliation of tax expenses and the accounting profit multiplied by Tax Rate

(₹ in million)		
Particulars	31st March 2023	31st March 2022
Profit Before Tax	508.36	1,420.45
Statutory Tax Rate (%)	25.168%	25.168%
Tax at Statutory rate	127.94	357.50
Effect of expenses that are not deductible in determining taxable profit	3.78	1.05
Effect of tax on special rate income	(4.26)	(5.89)
Reversal of MAT Credit	-	4.72
Reversal of DTA on Amalgamation	78.92	-
Deferred Tax on other comprehensive income	(0.31)	(1.60)
Effect of Interest on Tax	0.00	0.00
Others	21.65	81.98
	227.73	437.76
Adjustments recognised in the current year in relation to the current tax of prior years	(99.70)	(3.94)
Income tax expense recognised in profit or loss	128.03	433.82
Effective Tax Rate	25.185%	30.541%

(b) Non-Current Tax Assets (Net)

(₹ in million)		
Particulars	31st March 2023	31st March 2022
Non-Current Tax Assets (Net)	140.92	152.24
Total	140.92	152.24

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

(c) Deferred Tax Assets (Net)

(₹ in million)

Particulars	31st March 2023	31st March 2022
Deferred Tax Assets		
Property, Plant and Equipment	2.57	0.43
Allowance for Doubtful Debts	-	0.46
Unabsorbed Depreciation & c/f loss	2.02	82.83
Expense claimed for tax purpose on payment basis	-	0.63
Other Adjustments	-	6.50
Total	4.59	90.85

Movement in deferred tax assets for financial year 2022-23

(₹ in million)

Particulars	As at 1st April 2022	Credit / (charge) in the Statement of Profit and Loss	Credit / (charge) in Other Comprehensive Income	As at 31st March 2023
Deferred Tax Assets/(Liabilities)				
Property, Plant and Equipment	0.43	2.14	-	2.57
Unabsorbed Depreciation & c/f loss	82.83	(80.81)	-	2.02
Others	6.50	(6.50)	-	-
Expense claimed for tax purpose on payment basis	0.63	(0.63)	-	-
Expenditure covered by section 35D of Income Tax Act, 1961	-	-	-	-
Allowance for Doubtful Debts	0.46	(0.46)	-	-
Total	90.85	(86.26)	-	4.59

Movement in deferred tax assets for financial year 2021-22

(₹ in million)

Particulars	As at 1st April 2021	Credit / (charge) in the Statement of Profit and Loss	Credit / (charge) in Other Comprehensive Income	As at 31st March 2022
Deferred Tax Assets/(Liabilities)				
Property, Plant and Equipment	6.16	(5.73)		0.43
Unabsorbed Depreciation & c/f loss	52.15	30.68		82.83
Others	0.64	5.86		6.50
Expense claimed for tax purpose on payment basis	0.15	0.62	(0.14)	0.63
Expenditure covered by section 35D of Income Tax Act, 1961	-	-		-
Unused Tax Credit	4.72	(4.72)		-
Expenditure covered by section 43B of Income Tax Act, 1961	0.47	(0.47)		-
Allowance for Doubtful Debts	0.55	(0.09)		0.46
Total	64.84	26.15	(0.14)	90.85

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

(d) Current Tax Assets (Net)

(₹ in million)

Particulars	31st March 2023	31st March 2022
Current Tax Liabilities (Net)	69.03	-
Total	69.03	-

(e) Deferred Tax Liabilities (Net)

(₹ in million)

Particulars	31st March 2023	31st March 2022
Deferred Tax Liabilities		
Property, Plant and Equipment	598.58	520.53
Fair Value of Forward Contracts	1.18	
Fair Value of Quoted Equity Shares and Mutual Fund	0.08	0.17
Expense claimed for tax purpose on payment basis	2.73	
Unamortised Loan Processing Fees	1.19	
Deferred Tax Assets		
Expense claimed for tax purpose on payment basis		(5.70)
Allowance for Doubtful Debts	(1.38)	(0.46)
Carried Forward Loss on Sale of Land	(2.27)	
Fair Value of Forward Contracts		(0.01)
Total	600.11	514.53

Movement in deferred tax assets and liabilities for financial year 2022-23

(₹ in million)

Particulars	As at 1st April 2022	Credit / (charge) in the Statement of Profit and Loss	Credit / (charge) in Other Comprehensive Income	As at 31st March 2023
Deferred Tax Assets/(Liabilities)				
Property, Plant and Equipment	(520.53)	(78.05)	-	(598.58)
Fair Value of Forward Contracts	0.01	(1.19)	-	(1.18)
Expense claimed for tax purpose on payment basis	5.70	(8.23)	(0.20)	(2.73)
Unamortised Loan Processing Fees	-	(1.19)	-	(1.19)
Fair Value of Quoted Equity Shares and Mutual Fund	(0.17)	0.09		(0.08)
Carried Forward Loss on Sale of Land		2.27		2.27
Allowance for Doubtful Debts	0.46	0.92	-	1.38
Total	(514.53)	(85.38)	(0.20)	(600.11)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

Movement in deferred tax assets and liabilities for financial year 2021-22

(₹ in million)

Particulars	As at 1st April 2021	Credit / (charge) in the Statement of Profit and Loss	Credit / (charge) in Other Comprehensive Income	As at 31st March 2022
Deferred Tax Assets/(Liabilities)				
Property, Plant and Equipment	(487.92)	(32.61)	-	(520.53)
Fair Value of Forward Contracts	0.17	(0.16)	-	0.01
Expense claimed for tax purpose on payment basis	(3.75)	10.91	(1.46)	5.70
Expenditure covered by section 35D of Income Tax Act, 1961	3.26	(3.26)	-	-
Fair Value of Quoted Equity Shares and Mutual Fund	0.27	(0.44)		(0.17)
Allowance for Doubtful Debts	0.20	0.26	-	0.46
Total	(487.77)	(25.30)	(1.46)	(514.53)

(f) Current Tax Liabilities (Net)

(₹ in million)

Particulars	31st March 2023	31st March 2022
Current Tax Liabilities (Net)	7.48	65.74
Total	7.48	65.74

39 SEGMENT INFORMATION

The Group is engaged in Dyes, Dyes Intermediates and Basic Chemicals. Considering the nature of group's business and operations as well as reviews of operating results by the Chief Operating Decision Makers to make decisions about resource allocation, performance allocation and performance measurement, the group has identified Dyes, Dyes Intermediates and Basic Chemicals activities as only responsible segment in accordance with the requirements of Ind AS 108 operating segment.

The geographical segment has been considered for disclosure as secondary segment.

Two secondary segments have been identified based on the geographical locations of customers i.e. domestic and export. Information about geographical segments are as below.

1. Information about Geographical Areas

(₹ in million)

Particulars	FY 2022-23			FY 2021-22		
	Domestic Operations	External Operations	Total	Domestic Operations	External Operations	Total
Segment Revenue	10,963.42	4,779.38	15,742.80	14,128.55	6,423.96	20,552.51
Carrying Cost of Segment Assets	19,601.53	1,607.47	21,209.00	19,042.69	2,180.42	21,223.11

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

2. Information about Major Customers

No customers individually accounted for 10% or more revenue during financial year ending on 31st March 2023 and 31st March 2022

Particulars	(₹ in million)	
	FY 2022-23	FY 2021-22
Revenue from Top Customer	8%	6%
Revenue from Top 5 Customers	17%	15%

40 RELATED PARTY TRANSACTIONS:

a) List of Related Parties

I. Key Management Personnel (KMP)

1	Shri Suresh J Patel	Chairman & Managing Director
2	Shri Bhavin S. Patel	Executive Director
3	Shri Ankit S. Patel	Executive Director
4	Shri Rajarshi Ghosh	Director
5	Shri Mayur B. Padhya	Chief Financial Officer
6	Shri Ashutosh B. Bhatt	Company Secretary
7	Shri Nalin Kumar	Independent Director
8	Smt. Neha Huddar	Independent Director
9	Shri Sunil K. Mehta	Independent Director (Upto 12th December 2022)
10	Shri Mayank K. Mehta	Independent Director
11	Shri Rohit Maloo	Independent Director (w.e.f. 12th December 2022)

II. Enterprise under significant influence of key management personnel (Enterprise)

- 1 Shanti Inorgo Chem (Guj.) Pvt. Ltd.

III. Associate Concern (AC)

- 1 Plutoeco Enviro Association

b) Transactions with related parties

Related party disclosure	Relationship	(₹ in million)	
		FY 2022-23	FY 2021-22
Remuneration			
Shri Suresh J. Patel	KMP	16.20	16.20
Shri Bhavin S. Patel	KMP	10.80	10.80
Shri Ankit S. Patel	KMP	10.80	10.80
Shri Rajarshi Ghosh	KMP	2.31	2.31
Shri Mayur B. Padhya	KMP	5.70	5.91
Shri Ashutosh B. Bhatt	KMP	1.32	1.36
Employees Stock Option			
Shri Mayur B. Padhya	KMP	0.87	0.85
Shri Ashutosh B. Bhatt	KMP	0.24	0.15

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

(₹ in million)

Related party disclosure	Relationship	FY 2022-23	FY 2021-22
Director Commission			
Shri Suresh J. Patel	KMP	7.50	57.10
Shri Bhavin S. Patel	KMP	1.25	38.20
Shri Ankit S. Patel	KMP	1.25	38.20
Directors' Sitting Fees			
Shri Nalin Kumar	KMP	0.35	0.27
Smt. Neha Huddar	KMP	0.31	0.24
Shri Sunil K. Mehta	KMP	0.28	0.27
Shri Mayank Mehta	KMP	0.20	0.16
Shri Rohit B. Maloo	KMP	0.01	-
Capital Advance Given			
Plutoeco Enviro Association	AC	0.52	8.96
Loan Received			
Shri Bhavin S. Patel	KMP	2.45	0.60
Shri Ankit S. Patel	KMP	0.99	-
Loan Repaid			
Shri Suresh J. Patel	KMP	-	1.50
Shri Bhavin S. Patel	KMP	2.45	0.60
Shri Ankit S. Patel	KMP	1.00	0.01
Advance Received against sale of property			
Plutoeco Enviro Association	AC	-	32.00
Purchases of Materials			
Shanti Inorgo Chem (Guj.) Pvt. Ltd.	Enterprise	5.27	8.21
Dividend Paid			
Shri Suresh J. Patel	KMP	29.69	29.69
Shri Bhavin S. Patel	KMP	8.40	8.40
Shri Ankit S. Patel	KMP	5.81	5.81
Shri Mayur B. Padhya	KMP	0.16	0.15
Shri Ashutosh B. Bhatt	KMP	0.00	0.00
Smt. Neha Huddar	KMP	0.00	0.00
Shri Sunil K. Mehta	KMP	0.16	0.16
Sales of Materials			
Shanti Inorgo Chem (Guj.) Pvt. Ltd.	Enterprise	0.01	9.02
Sales of Other Materials			
Shanti Inorgo Chem (Guj.) Pvt. Ltd.	Enterprise	-	1.80
Sales of Land			
Plutoeco Enviro Association	AC	34.71	-

c) Related Party Balances as at the year end.

(₹ in million)

Related party disclosure	Relationship	FY 2022-23	FY 2021-22
Amount Payable			
As Unsecured Loan			
Shri Suresh J. Patel	KMP	0.13	0.13
Shri Bhavin S. Patel	KMP	0.02	0.02
Shri Ankit S. Patel	KMP	0.07	0.08

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

(₹ in million)

Related party disclosure	Relationship	FY 2022-23	FY 2021-22
As Advances Received for sale of property			
Plutoeco Enviro Association	AC	3.29	38.00
As Trade Payables			
Shri Suresh J. Patel	KMP	0.44	24.61
Shri Bhavin S. Patel	KMP	0.39	18.28
Shri Ankit S. Patel	KMP	0.96	19.87
Shri Rajarshi Ghosh	KMP	0.14	0.13
Shri Mayur B. Padhya	KMP	0.28	0.06
Shri Ashutosh B. Bhatt	KMP	0.08	0.08
Shanti Inorgo Chem (Guj.) Pvt. Ltd.	Enterprise	0.60	0.60
As Investment			
As Equity shares			
Plutoeco Enviro Association	AC	0.03	0.03
Amounts Receivable			
As Trade Receivables			
Shanti Inorgo Chem (Guj.) Pvt. Ltd.	Enterprise	2.13	2.13
As Advance to Suppliers			
Shanti Inorgo Chem (Guj.) Pvt. Ltd.	Enterprise	1.52	0.66
As Capital Advance			
Shanti Inorgo Chem (Guj.) Pvt. Ltd.	Enterprise	3.88	3.88
Plutoeco Enviro Association	AC	11.07	10.55

Notes :-

- (i) No amounts pertaining to related parties have been provided for as doubtful debts. Also no amounts have been written off or written back during the year.

41 EARNINGS PER SHARE

(₹ in million)

Particulars	FY 2022-23	FY 2021-22
Net Profit after Tax as per statement of Profit and Loss (₹ in million)	380.33	1,042.28
Weighted average number of Equity Shares	12,55,44,712	12,54,17,499
Basic EPS (₹)	3.03	8.30
Diluted EPS (₹)	3.03	8.30
Nominal Value per Share (₹)	2	2

41.1 Details used in calculation of Diluted EPS

(₹ in million)

Particulars	FY 2022-23	FY 2021-22
Net Profit after Tax as per statement of Profit and Loss (₹ in million)	380.33	1,042.28
Nominal Value per Share (₹)	2	2
Weighted average number of Equity Shares used for Basic EPS	12,55,44,712	12,54,17,499
Share deemed to be issued in respect of employee options	-	63,852
Weighted average number of Equity Shares used for diluted EPS	12,55,44,712	12,54,81,351

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

42 EMPLOYEE BENEFITS

(₹ in million)

Defined Contribution Plan	FY 2022-23	FY 2021-22
Employer's contribution to Provident Fund	41.43	38.84

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits such as compensated absences 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. These are determined actuarially using the projected unit credit method.

(₹ in million)

	FY 2022-23	FY 2021-22
Leave Encashment Expense	14.58	14.71

Post Employment Benefits

Gratuity: The Group has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with Life Insurance Corporation of India in the form of qualifying insurance policy.

The following table sets out the funded status of the gratuity plan and the amounts recognised in the Group's financial statements based on actuarial valuations being carried out As at 31st March 2022.

Balance sheet disclosures

(a) **The amounts disclosed in the consolidated balance sheet and the movements in the defined benefit obligation over the year:**

(₹ in million)

Particulars	FY 2022-23	FY 2021-22
Liability at the beginning of the year	114.75	70.84
Interest Costs	7.35	5.94
Current Service Costs	12.17	11.97
Liabilities assumed in acquisition of SCC	-	50.96
Benefits paid	(3.29)	(3.78)
Benefits paid by the Company	(12.46)	(14.32)
Actuarial (Gain)/Loss on obligations due to change in		
- Demography	-	-
- Financials	(2.42)	(3.55)
- Experience	0.78	(3.31)
Liability at the end of the year	116.88	114.75

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

(b) Movements in the fair value of plan assets

Particulars	(₹ in million)	
	FY 2022-23	FY 2021-22
Fair value of plan assets at the beginning of the year	111.38	93.69
Interest Income	7.98	6.37
Expected return on plan assets	(0.96)	(0.58)
Contributions	17.17	15.68
Benefits paid	(3.29)	(3.78)
Fair value of plan assets at the end of the year	132.28	111.38

(c) Net liability disclosed above relates to

Particulars	(₹ in million)	
	FY 2022-23	FY 2021-22
Fair value of plan assets at the end of the year	132.28	111.38
Liability as at the end of the year	116.88	114.75
Net (Liability)/Asset	15.40	(3.37)
Non-Current Portion	3.24	(2.43)
Current Portion	12.16	(0.94)

(d) Balance Sheet Reconciliation

Particulars	(₹ in million)	
	FY 2022-23	FY 2021-22
Opening Net liability / (Asset)	3.37	(22.85)
Liabilities assumed in an amalgamation in the nature of purchase	-	50.96
-Expenses recognised in the statement of P&L	11.54	11.54
-Expenses recognised in the OCI	(0.68)	(6.28)
Benefits paid by the Company	(12.46)	(14.32)
-Employer's Contribution	(17.17)	(15.68)
Amount recognised in the Balance Sheet	(15.40)	3.37

Profit & Loss Disclosures

(a) Net interest Cost for Current period

Particulars	(₹ in million)	
	FY 2022-23	FY 2021-22
Interest Cost	7.35	5.94
Interest Income	7.98	6.37
Net interest Cost/(Income)	(0.63)	(0.43)

(b) Expenses recognised in the profit & loss

Particulars	(₹ in million)	
	FY 2022-23	FY 2021-22
Net Interest Cost	(0.63)	(0.43)
Current Service Costs	12.17	11.97
Expenses recognised in the profit & loss	11.54	11.54

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

(c) Expenses recognised in the Other Comprehensive Income

(₹ in million)

Particulars	FY 2022-23	FY 2021-22
Remeasurement		
Expected return on plan assets	0.96	0.58
Actuarial (Gain) or Loss	(1.64)	(6.86)
Net (Income) / Expenses recognised in OCI	(0.68)	(6.28)

Sensitivity Analysis

(₹ in million)

Particulars	FY 2022-23	FY 2021-22
Projected Benefit obligation on current assumptions		
Data effect of change in Rate of		
- Discounting by +0.5%	109.50	104.92
- Salary Increase by +0.5%	119.07	114.35
- Employee Turnover by +20%	115.50	110.71
Data effect of change in Rate of		
- Discounting by -0.5%	119.20	114.50
- Salary Increase by -0.5%	109.56	104.96
- Employee Turnover by -20%	112.75	108.27

Significant Actuarial Assumptions

Particulars	FY 2022-23	FY 2021-22
Discount Rate	7.45%	7.15%
Salary Escalation	4.00%	4.00%
Attrition Rate	2%-10%	2%-10%
Mortality Tables used	IALM 2012-14	IALM 2012-14

The estimates of future salary increases, considered in actuarial valuation have taken into account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The rate used to discount defined benefit obligation (both funded and unfunded) is determined by reference to market yield at the Balance Sheet date on high quality corporate bonds. In countries where there is no deep market in such bonds the market yields (at the Balance Sheet Date) on government bonds shall be used. The currency and term of the corporate bond or government bond shall be consistent with currency and estimated term of the post employment benefit obligations.

The estimated term of the Obligation is around 10.66 years (P.Y. 11.27 years). The yields on the government bonds as at the valuation date were 7.15% (P.Y. 6.75%). The expected contribution in the next year is ₹ 11.88 million.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

43 CONTINGENT LIABILITIES AND COMMITMENTS

(₹ in million)

Particulars	As at 31st March 2023	As at 31st March 2022
(a) Contingent Liabilities		
1) Disputed matters in appeals/contested in respect of:		
i. Income Tax	81.20	18.45
ii. Excise	45.61	25.53

Future cash outflows in respect of the above are determinable only on receipt of Judgments /decisions pending with various forums/authorities. Based on the decisions of the Appellate authorities and the interpretations of other relevant provisions, the Group has been legally advised that the additional demand raised is likely to be either deleted or substantially reduced and accordingly no provision is considered necessary.

(₹ in million)

Particulars	As at 31st March 2023	As at 31st March 2022
2) Letter of Credit issued by bankers and outstanding	189.79	871.65
3) Guarantee given by the Company	-	200.85

(b) Commitments

(₹ in million)

Particulars	As at 31st March 2023	As at 31st March 2022
i. Estimated amount of Contracts remaining to be executed on capital account and not provided for, net of advances.	1,333.87	2,393.05

44 MOVEMENT OF LEASE LIABILITY

(₹ in million)

Particulars	FY 2022-23	FY 2021-22
Opening Balance	1.81	4.39
Lease Liabilities during the year	10.96	-
Finance Costs incurred during the year	0.72	0.26
Deletion of Lease Liability	(1.81)	-
Foreign Currency Translation Reserve	-	(1.50)
Net Payments of Lease Liabilities	(5.96)	(1.34)
Closing Balance	5.72	1.81

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

45 SHARE BASED PAYMENTS

- a) The Parent Company initiated the “ESOP 2017” for all eligible employees in pursuance of the special resolution approved by the Shareholders in the Annual General Meeting held on 23rd September 2017. The Scheme covers eligible employees (except promoters or those belonging to the promoters’ group, independent directors and directors who either by himself or through his relatives or through any body-corporate, directly or indirectly holds more than 10% of the outstanding Shares of the Parent Company). Under the Scheme, the Nomination and Remuneration Committee of directors of the Parent Company, administers the Scheme and grants stock options to eligible directors or employees of the Parent Company. The Committee determines the employees eligible for receiving the options and the number of options to be granted subject to overall limit of 1,000,000 options.

Option	Number of shares granted	Grant Date	Expiry Date	Exercise Price (₹)	Fair Value of the option (₹)
ESOP 2017 – II	1,62,900	21-05-2019	20-05-2021	50	68.09
ESOP 2017 - III	1,63,900	12-02-2020	12-02-2022	10	66.40
ESOP 2017 - IV	1,83,500	14-08-2021	14-08-2022	10	98.20

- b) Compensation Expenses arising on account of the Share Based Payments

Particulars	(₹ in million)	
	Year ended 31st March 2023	Year ended 31st March 2022
Employee Share Based Payments (refer note 31)	18.98	(0.59)

The relevant details of the Scheme are as under:

Particulars	Grant IV	Grant V
Date of Grant	14th August 2021	26th May 2022
Date of Board/NRC Approval	14th August 2021	26th May 2022
Date of Shareholders' Approval	23rd September 2017	23rd September 2017
No. of Options Granted	1,83,500	1,71,100
Method of Settlement	Equity	Equity
Vesting Period	1 Year	1 Year
Fair Value on the date of Grant (₹)	98.20	84.56
Exercise Period	1 Year	1 Year
Vesting Conditions	As per Policy approved by Shareholders	As per Policy approved by Shareholders

Set out below is a summary of options granted under the plan:

Particulars	Grant IV	Grant V
Options Outstanding at the beginning of the year	1,83,500	-
Options granted during the year	-	1,71,100
Options exercised during the year	1,71,100	-
Options lapsed during the year	12,400	-
Options Outstanding at the end of the year	-	1,71,100

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

Particulars	Grant IV	Grant V
Date of Grant	14th August 2021	26th May 2022
Stock Price at the date of grant (₹)	107.55	93.20
Exercise Price (₹)	10	10
Expected Volatility	48.40%	49.89%
Expected Life of the Option	1 Year	1 Year
Risk Free Interest Rate	6.79%	7.29%
Weighted average fair value of options granted during the year (₹)	98.20	84.56

46 ADDITIONAL INFORMATION, AS REQUIRED UNDER SCHEDULE III TO THE COMPANIES ACT, 2013 OF ENTERPRISES CONSOLIDATED AS SUBSIDIARY / ASSOCIATE

Name of Entities	Net Assets i.e. total assets minus total liabilities		Share in Profit / (Loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount (₹ in million)	As % of consolidated profit or loss	Amount (₹ in million)	As % of consolidated profit or loss	Amount (₹ in million)	As % of consolidated profit or loss	Amount (₹ in million)
Parent								
Bodal Chemicals Ltd.	104.52%	11,264.49	81.89%	311.43	-1.86%	0.92	94.38%	312.35
Subsidiary								
PT Bodal Chemicals Indonesia	0.08%	8.36	-1.31%	(4.98)	0.03%	(0.01)	-1.51%	(4.99)
Bodal Chemicals Trading (Shijiazhuang) Co., Ltd	0.45%	48.97	3.40%	12.93	21.12%	(10.43)	0.76%	2.50
Sen-er Boya Kimya Tekstil Sanayi Ve Ticaret Ltd.	3.17%	341.31	17.45%	66.38	80.76%	(39.88)	8.01%	26.50
Bodal Chemicals Trading Pvt. Ltd.	0.04%	3.97	-0.12%	(0.47)	0.00%	-	-0.14%	(0.47)
Bodal Bangla Ltd.	-0.01%	(1.34)	-0.62%	(2.36)	-0.05%	0.02	-0.71%	(2.34)
Associate								
Pluto Eco Enviro Association	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Inter-company eliminations & Consolidation adjustments	-8.25%	(888.73)	-0.68%	(2.60)	0.00%	-	-0.79%	(2.60)
Total	100.00%	10,777.03	100.00%	380.33	100.00%	(49.38)	100.00%	330.95

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

47 A Scheme of Amalgamation of S P S Processors Pvt. Ltd. ("SPS") with the Company (the "Scheme") was approved by the Board of Directors of the Company at their meeting held on 29th October 2021, with effect from appointed date of 1st April 2021. SPS is engaged in the business of manufacture of dyes intermediates. The Scheme was approved by Hon'ble NCLT, Ahmedabad Bench vide its order dated 2nd November 2022. The Scheme has accordingly been given effect in the financial statements of Bodal Chemicals Ltd. from the Appointed date. As the transaction took place between the entities which are under common control, the Company has followed pooling of interest method as per 'Appendix C of Ind AS 103 - Business Combination. The figures presented in the financial statements, including comparatives are after giving effect to the said Scheme.

The consideration was paid by way of issue of 29,70,700 Company's equity shares of ₹ 2 each in exchange of 48,700 equity shares of ₹ 10 each of SPS. All assets and liabilities including reserves are recorded in the books of accounts of the Company at their carrying amount as appearing in the consolidated financial statements of the Company. This has resulted in negative capital reserve of ₹ 62,23,394 adjusted in balance of Capital Reserve as on the date of acquisition.

48 The Company has changed classification for few items during the year for better presentation. The figures for the corresponding previous year have been regrouped/reclassified wherever necessary, to make them comparable. The details thereof has been provided below.

(a) Items of Balance Sheet

(₹ in million)

Sr. No	Previous Year Class of Item	As at 31st March 2022	As at 31st March 2021	Nature of Reclassification
1	Other Current Liabilities	106.40	6.00	it is reclassified to Liabilities Directly Associated with Assets Classified as held for Sale
2	Other Financial Liabilities	1.67	4.04	Salary/wages/bonus payable reclassified to Trade Payables
3	Provisions (Current)	8.77	11.32	Leave encashment liability reclassified to Trade Payables
4	Other Current Assets	4.13	-	The amount pertains to insurance claim receivables now reclassified to Other Financial Assets

(b) Items of Statement of Profit & Loss

(₹ in million)

Sr. No	Previous Year Class of Item	Year FY 2021-22	Nature of Reclassification
1	Raw Material Consumption	15.11	The amount pertains to Job work charges, now reclassified into Other Expense
2	Revenue from Operations Other Expenses	46.30	The amount pertains to Chlorine/HCL Disposal Charges, which was netted in Revenue from Operations, now shown separately

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

49 OTHER STATUTORY INFORMATION :

- (i) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies) other than as disclosed below, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- (b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries. (Current Year : NIL; P.Y. : given below)

Guarantee given to (Intermediary)	Details of Intermediary	Ultimate Beneficiary	Date of providing guarantee	Amount of guarantee (₹ in million)	Date of investment by Intermediary in Ultimate beneficiary	Amount of investment by Intermediary in Ultimate beneficiary (₹ in million)
Citibank N.A.	Citibank N.A. - 1st Floor, Kalapurnam Building, Near Municipal Market, C.G. Road, Ahmedabad	Sen-Er Boya Kimya Tekstil San. Tic. Ltd.	27-07-2021	200.85	14-03-2022	164.55

- (ii) The Group have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
- (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (iii) The Group do not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961.
- (iv) The Group has complied with the Scheme of Arrangements as approved by the National Company Law Tribunal (NCLT) in terms of sections 230 to 237 of the Companies Act, 2013 as is accounted in the financial statements in accordance with accounting standards.
- (v) There are no proceedings which have been initiated or pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- (vi) The Group has not been declared a wilful defaulter by any bank or financial institution.
- (vii) The Group has not identified any transaction with Companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 and has no balances outstanding from struck of Companies.
- (viii) The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.
- (ix) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

- 50** The Code on Social Security, 2020 and Code of wages, 2019 relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Codes have been published in the Gazette of India. However, the date on which the Codes will come into effect has not been notified. The Company and its Indian subsidiaries will assess the impact of the Codes when it comes into effect and will record any related impact in the period the Codes become effective.

For and on behalf of the Board of Directors

Suresh J. Patel

Chairman & Managing Director

DIN : 00007400

Ankit S. Patel

Executive Director

DIN : 02173231

Mayur B. Padhya

Chief Financial Officer

Ahmedabad

30th May 2023

Ashutosh B. Bhatt

Company Secretary



Bodal Chemicals Ltd.[®]
COLOURS. INTEGRATION. INNOVATION.

CIN: L24110GJ1986PLC009003
Plot No: 123-124, Phase-I,
G.I.D.C. Estate, Vatva, Ahmedabad – 382 445,
Gujarat, India.
www.bodal.com