Amal Ltd
Standalone Balance Sheet as at March 31, 2024

(₹ lakhs)

Particulars	Note	As at March 31, 2024	As at March 31, 2023
A ASSETS			
1. Non-current assets			
a) Property, plant and equipment	2	1,334.42	1,313.39
b) Capital work-in-progress	2	5.34	-
c) Intangible assets	3	21.15	-
d) Financial assets			
i) Investments in a subsidiary company	4.1	7,699.14	5,500.14
ii) Other investments	4.2	42.77	42.77
iii) Loans	5	-	1,415.83
iv) Other financial assets	6	94.57	94.57
e) Income tax assets (net)	29.4	32.63	30.55
f) Other non-current assets	7	0.14	0.32
Total non-current assets		**9,230.16**	**8,397.57**
2. Current assets			
a) Inventories	8	181.18	162.33
b) Financial assets			
i) Investments	4.3	30.02	-
ii) Trade receivables	9	336.72	273.56
iii) Cash and cash equivalents	10	41.89	260.46
iv) Loans	5	-	283.17
v) Other financial assets	6	-	64.14
c) Other current assets	7	46.90	82.69
d) Asset held for sale		-	1.53
Total current assets		**636.71**	**1,127.88**
Total assets		**9,866.87**	**9,525.45**
B EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	11	1,236.27	1,236.27
b) Other equity	12	7,697.45	7,454.45
Total equity		**8,933.72**	**8,690.72**
Liabilities			
1. Non-current liabilities			
a) Provisions	13	9.44	10.85
b) Deferred tax liabilities (net)	29.4	111.73	107.71
Total non-current liabilities		**121.17**	**118.56**
2. Current liabilities			
a) Financial liabilities			
i) Borrowings	14	-	0.62
ii) Trade payables			
Total outstanding dues of			
a) Micro-enterprises and small enterprises	15	16.67	10.69
b) Creditors other than micro-enterprises and small enterprises	15	163.69	228.67
iii) Other financial liabilities	16	144.50	43.48
b) Contract liabilities	17	1.49	3.30
c) Other current liabilities	18	38.32	41.27
d) Provisions	13	445.14	388.14
e) Current tax liabilities (net)	29.4	2.17	-
Total current liabilities		**811.98**	**716.17**
Total liabilities		**933.15**	**834.73**
Total equity and liabilities		**9,866.87**	**9,525.45**

The accompanying Notes 1-29 form an integral part of the Standalone Financial Statements.

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board of Directors

Ketan Vora
Partner

Yogesh Vyas
Chief Financial Officer

Sunil Lalbhai
Chairman
(DIN:00045590)

Ankit Mankodi
Company Secretary

Rajeev Kumar
Managing Director
(DIN:07731459)

Mumbai
April 19, 2024

Mumbai
April 19, 2024

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

(₹ lakhs)

Particulars	Note	2023-24	2022-23
INCOME			
Revenue from operations	19	3,133.43	3,916.05
Other income	20	203.51	402.97
Total income		**3,336.94**	**4,319.02**
EXPENSES			
Cost of materials consumed	21	1,586.62	2,713.00
Changes in inventories of finished goods	22	12.55	20.74
Power, fuel and water	23	339.53	356.13
Repairs and maintenance	24	211.96	230.85
Employee benefit expenses	25	235.22	233.07
Finance costs	26	57.74	87.98
Depreciation and amortisation expenses	27	164.41	159.00
Other expenses	28	383.73	381.70
Total expenses		**2,991.76**	**4,182.47**
Profit before tax		**345.18**	**136.55**
Tax expense			
Current tax	29.4	98.53	60.84
Deferred tax	29.4	4.02	2.80
Total tax expense		**102.55**	**63.64**
Profit for the year		**242.63**	**72.91**
Other comprehensive income			
a) Items that will not be reclassified to profit | loss			
i) Remeasurement gain on defined benefit plans, net of tax		0.37	2.89
Other comprehensive income, net of tax		**0.37**	**2.89**
Total comprehensive income for the year		**243.00**	**75.80**
Earnings per equity share of ₹ 10 each			
Basic earnings (₹)	29.9	1.96	0.16
Diluted earnings (₹)	29.9	1.96	0.16

The accompanying Notes 1-29 form an integral part of the Standalone Financial Statements.

In terms of our report attached

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Managing Director
(DIN:07731459)

Mumbai
April 19, 2024

Mumbai
April 19, 2024

Amal Ltd
Standalone Statement of changes in equity
for the year ended on March 31, 2024

A Equity share capital

(₹ lakhs)

Particulars	Note	Amount
As at March 31, 2022		942.50
Changes in equity share capital during the year		293.77
As at March 31, 2023		1,236.27
Changes in equity share capital during the year		-
As at March 31, 2024	11	1,236.27

B Other equity

(₹ lakhs)

Particulars	Reserves and surplus			Total other equity
	Securities premium	Retained earnings	Other equity (capital contributions from Atul Ltd)	
As at March 31, 2022	876.88	211.80	1,646.57	2,735.25
Profit for the year	-	72.91	-	72.91
Other comprehensive income, net of tax	-	2.89	-	2.89
Addition during the year	4,700.27	-	-	4,700.27
Right issue expenses (refer Note 11 b)	(56.87)	-	-	(56.87)
As at March 31, 2023	5,520.28	287.60	1,646.57	7,454.45
Profit for the year	-	242.63	-	242.63
Other comprehensive income, net of tax	-	0.37	-	0.37
As at March 31, 2024	5,520.28	530.60	1,646.57	7,697.45

The accompanying Notes 1-29 form an integral part of the Standalone Financial Statements.

In terms of our report attached
For Deloitte Haskins & Sells LLP
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Company Secretary

Rajeev Kumar
Managing Director
(DIN:07731459)

Mumbai
April 19, 2024

Mumbai
April 19, 2024

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

(₹ lakhs)

	Particulars		2023-24	2022-23
A	**CASH FLOW FROM OPERATING ACTIVITIES**			
	Profit before tax		345.18	136.55
	Adjustments for:			
	Depreciation and amortisation expenses		164.41	159.00
	Finance costs		57.74	87.98
	Interest income		(160.12)	(293.38)
	Gain on current investments measured at FVTPL (net)		(9.39)	-
	Unrealised gain from investments in mutual funds measured at FVTPL (net)		(0.02)	-
	Dividend income		(0.53)	(0.53)
	Credit balance appropriated		(1.92)	(79.19)
	Gain on disposal of asset held for sale		(4.25)	(2.33)
	Operating profit before change in operating assets and liabilities		**391.10**	**8.10**
	Adjustments for:			
	(Increase) | Decrease in inventories		(18.85)	93.87
	(Increase) | Decrease in non-current and current assets		37.31	(280.45)
	Increase | (Decrease) in non-current and current liabilities		22.45	21.39
	Cash generated from | (used in) operations		**432.01**	**(157.09)**
	(Income tax paid) net of refund		(98.44)	(76.63)
	Net cash generated from | (used in) operating activities	A	**333.57**	**(233.72)**
B	**CASH FLOW FROM INVESTING ACTIVITIES**			
	Payments towards property, plant and equipment (including capital advances)		(164.98)	(49.19)
	Purchase of intangible assets		(31.73)	-
	Proceeds from disposal of asset held for sale		5.78	-
	Investment in preference shares measured at cost		(500.00)	-
	Sale | (purchase) of current investments measured at FVTPL (net)		(20.61)	-
	Disbursements of loans to subsidiary company[1]		-	(4,497.14)
	Dividend received		0.53	0.53
	Interest received on financial assets measured at amortised cost		160.12	293.38
	Net cash used in investing activities	B	**(550.89)**	**(4,252.42)**
C	**CASH FLOW FROM FINANCING ACTIVITIES**			
	Disbursement | (repayment) of borrowings		(0.62)	0.62
	Repayment of preference share liabilities		-	(200.00)
	Interest paid		(0.63)	(3.10)
	Proceeds from right issue of equity shares (net of expenses)		-	4,937.17
	Net cash generated from | (used in) financing activities	C	**(1.25)**	**4,734.69**
	Net increase | (decrease) in cash and cash equivalents	A+B+C	**(218.57)**	**248.55**
	Cash and cash equivalents at the beginning of the year		**260.46**	**11.91**
	Cash and cash equivalents at the end of the year (refer Note 10)		**41.89**	**260.46**

[1]During 2023-24, the loans aggregating ₹ 1,699 lakhs as of March 31, 2023 is converted into 1,69,90,000, 10.50% non cumulative redeemable preference shares at ₹ 10 per share, amounting to ₹ 1,699 lakhs and additional investment of ₹ 500 lakhs made into 50,00,000, 10.50% non cumulative redeemable preference shares at ₹ 10 per share.

During 2022-23, the loans aggregating ₹ 5,000.14 lakhs are converted into 27,19,000 equity shares at ₹ 110.34 per share amounting to ₹ 3,000.14 lakhs and 2,00,00,000, 10% non cumulative redeemable preference shares at ₹ 10 per share, amounting to ₹ 2,000 lakhs.

i) The above Standalone Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in the Ind AS 7 on Statement of Cash Flows as notified under Companies (Indian Accounting Standards) Rules, 2015, as amended.

ii) Reconciliation of changes in liabilities arising from financing activities

Particulars	2023-24	2022-23
Borrowing at the beginning of the year	0.62	172.37
(Repayment) | Disbursement	(0.62)	(199.38)
Interest expense on loan	0.21	30.73
Interest paid on loan	(0.21)	(3.10)
Borrowing as at the end of the year	**-**	**0.62**

The accompanying Notes 1-29 form an integral part of the Standalone Financial Statements.

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board of Directors

Ketan Vora
Partner

Yogesh Vyas
Chief Financial Officer

Sunil Lalbhai
Chairman
(DIN:00045590)

Ankit Mankodi
Company Secretary

Rajeev Kumar
Managing Director
(DIN:07731459)

Mumbai
April 19, 2024

Mumbai
April 19, 2024

Notes to the Standalone Financial Statements

Background

Amal Ltd (the Company) is a public company limited by shares, incorporated and domiciled in India. The Company is a subsidiary of Atul Ltd. Its shares are listed on the Bombay Stock Exchange ('BSE') in India. Its registered office is located at Atul House, 310 B, Veer Savarkar Marg, Dadar (West), Mumbai 400 028, Maharashtra, India and its principal place of manufacturing is located at Ankleshwar 393 002, Gujarat, India.

The Company is engaged in manufacturing of bulk chemicals such as Sulphuric acid and Oleum and their downstream products such as Sulphur dioxide and Sulphur trioxide.

It is registered as a small manufacturing company effective July 03, 2020 as per Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act).

Note 1 Material accounting policies

This Note provides a list of the material accounting policies adopted by the Company in preparation of these Standalone Financial Statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

a) Statement of compliance

The Standalone Financial Statements comply in all material respects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act, as amended.

b) Basis of preparation

i) Historical cost convention:
The Standalone Financial Statements have been prepared on a historical cost basis except for the following:
   a) Certain financial assets and liabilities (including derivative instruments): measured at fair value
   b) Defined benefit plans: plan assets measured at fair value

ii) The Standalone Financial Statements have been prepared on accrual and going concern basis.

iii) The accounting policies are applied consistently to all the periods presented in the Standalone Financial Statements. All assets and liabilities have been classified as current or non-current as per the normal operating cycle of the Company and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

iv) Recent accounting pronouncements:
The Ministry of Corporate Affairs (MCA) notifies new standards or amendments to the existing standards. There is no such notification which will be applicable from April 01, 2024.

c) Foreign currency transactions

i) Functional and presentation currency:

Items included in the Standalone Financial Statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('functional currency'). The Standalone Financial Statements of the Company are presented in Indian currency (₹), which is also the functional currency of the Company.

ii) Transactions and balances:

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gain | (loss) resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the Standalone Statement of Profit and Loss, except that they are deferred in other equity if they relate to qualifying cash flow hedges. Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Standalone Statement of Profit and Loss, within finance costs. All other foreign exchange gain | (loss) are presented in the Standalone Statement of Profit and Loss on a net basis within other income.

Non-monetary items that are measured at fair value that are denominated in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain | (loss). Non-monetary items that are measured in terms of historical cost in a foreign currency are not revalued.

d) Revenue recognition

i) Revenue from operations:

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 a specific location of the customer or when the goods are handed over to the freight carrier, as per the terms of the contract. A receivable is recognised by the Company when the goods are delivered to the customer as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due.

Revenue is measured based on the consideration to which the Company expects to be entitled as per contract with a customer. The consideration is determined based on the transaction price specified in the contract, net of the estimated variable consideration. Accumulated experience is used to estimate and provide for the variable consideration, using the expected value method and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. Contracts with customers are for short-term, at an agreed price basis having contracted credit period ranging up to 90 days. The contracts do not grant any rights of return to the customer. Returns of goods are accepted by the Company only on an exception basis. Revenue excludes any taxes or duties collected on behalf of government that are levied on sales such as goods and service tax.

ii) Other income:

Interest income from financial assets is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options), but does not consider the expected credit losses.

Dividends are recognised in the Standalone Statement of Profit and Loss only when the right to receive payment is established; it is probable that the economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.

Lease rental income is recognised on accrual basis.

e) Income tax

Income tax expense comprises current tax and deferred tax. Current tax is the tax payable on the taxable income of the current period based on the applicable income tax rates. Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. The Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit | (loss) nor taxable profit | (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the Standalone Balance Sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The Company considers reversals of deferred income tax liabilities, projected future taxable income and tax planning strategies in making the assessment of deferred tax liabilities and realisability of deferred tax assets. 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, the Management believes that the Company will realise the benefits of those deductible differences.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity respectively.

Income tax (continued)

The Company considered whether it has any uncertain tax positions based on past experience pertaining to income taxes, including those related to transfer pricing as per Appendix C to Ind AS 12. The Company has determined its tax position based on tax compliance and present judicial pronouncements and accordingly expects that its tax treatments will be accepted by the taxation authorities.

The Company determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments and uses the approach that better predicts the resolution of the uncertainty. The Company applies significant judgement in identifying uncertainties over income tax treatments.

f) Leases

As a lessee

The Company assesses whether a contract is, or contains a lease, at inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: i) the contract involves the use of an identified asset, ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and iii) the Company has the right to direct the use of the asset.

At the commencement date of the lease, the Company recognises a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for short-term leases (leases with a term of twelve months or less), leases of low value assets and, for contract where the lessee and lessor has the right to terminate a lease without permission from the other party with no more than an insignificant penalty. The lease expense of such short-term leases, low value assets leases and cancellable leases, are recognised as an operating expense on a straight-line basis over the term of the lease.

At commencement date, lease liability is measured at the present value of the lease payments to be paid during non-cancellable period of the contract, discounted using the incremental borrowing rate. The right-of-use assets is initially recognised at the amount of the initial measurement of the corresponding lease liability, lease payments made at or before commencement date less any lease incentives received and any initial direct costs.

Subsequently, the right-of-use asset is measured at cost less accumulated depreciation and any impairment losses. Lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using effective interest rate method) and reducing the carrying amount to reflect the lease payments made. The right-of-use asset and lease liability are also adjusted to reflect any lease modifications or revised in-substance fixed lease payments.

As a lessor

Leases for which the Company is a lessor are classified as finance or operating leases. Whenever the terms of the lease substantially transfer all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Income from operating leases where the Company is a lessor is recognised as income on a straight-line basis over the lease term unless the receipts are structured to increase in line with the expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the Standalone Balance Sheet based on their nature. Leases of property, plant and equipment where the Company as a lessor has substantially transferred all the risks and rewards are classified as finance lease. Finance leases are capitalised at the inception of the lease at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rent receivables, net of interest income, are included in other financial assets. Each lease receipt is allocated between the asset and interest income. The interest income is recognised in the Standalone Statement of Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the asset for each period.

Under combined lease agreements, land and building are assessed individually.

g) Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Acquisition cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases 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 Company and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the Standalone Statement of Profit and Loss during the period in which they are incurred.

An item of Property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of an item of PPE is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in the Standalone Statment of Profit

Property, plant and equipment (continued)

Spare parts, stand-by equipment and servicing equipment are recognised as property, plant and equipment if they are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes and are expected to be used during more than one period.

Depreciation methods, estimated useful lives and residual value

The charge in respect of periodic depreciation is derived after determining an estimate of expected useful life and the expected residual value of the assets at the end of its useful life. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life.

Depreciation is provided on a pro-rata basis on the straight-line method from the month of acquisition | installation till the month the assets are sold or disposed off.

Estimated useful lives of the assets are as follows:

Asset category	Estimated useful life
Buildings	5 to 60 years
Plant and equipment	3 to 20 years
Vehicles	6 to 10 years
Office equipment and furniture	3 to 10 years

The useful lives have been determined based on technical evaluation done by the Management | experts, which are different from the useful life prescribed in Part C of Schedule II to the Companies Act, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset. The residual values, useful lives and method of depreciation of property, plant and equipment are reviewed annually and adjusted prospectively, if appropriate.

The carrying amount of an asset is written down immediately to its recoverable amount if the carrying amount of the asset is greater than its estimated recoverable amount.

Land accounted under finance lease is amortised on a straight-line basis over the primary period of lease.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as own assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

h) Capital work-in-progress

The cost of Property, plant and equipment under construction at the reporting date is disclosed as 'Capital work-in-progress.' The cost comprises purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Advances paid for the acquisition | construction of Property, plant and equipment which are outstanding at the Balance Sheet date are classified under the

i) Intangible assets

Computer software includes enterprise resource planning application and other costs relating to such software that provide significant future economic benefits. These costs comprise license fees and cost of system integration services.

Development expenditure qualifying as an intangible asset, if any, is capitalised, to be amortised over the economic life of the product | patent.

Computer software cost is amortised over a period of three years using the straight-line method.

j) Impairment

The carrying amount of assets are reviewed at each Standalone Balance Sheet date to assess if there is any indication of impairment based on internal | external factors. An impairment loss on such assessment is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount of the assets is net selling price or value in use, whichever is higher. While assessing value in use, the estimated future cash flows are discounted to the present value by using weighted average cost of capital. A previously recognised impairment loss is further provided or reversed depending on changes in the circumstances and to the extent that carrying amount of the assets does not exceed the carrying amount that will be determined if no impairment loss had previously been recognised.

k) Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits with bank and other short-term (three months or less from the date of acquisition), highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

l) Statement of cash flows

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash generated from | (used) in operating, investing and financing activities of the Company are segregated.

m) Trade receivables

Trade receivables are recognised at the amount of transaction price (net of variable consideration) when the right to consideration becomes unconditional. These assets are held at amortised cost, using the effective interest rate (EIR) method where applicable, less provision for impairment based on expected credit loss. Trade receivables overdue more than 180 days are considered in which there is significant increase in credit risk.

n) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months from the reporting date. They are recognised initially at their fair value and subsequently measured at amortised cost using the EIR method.

o) Inventories

Inventories are stated at cost or net realisable value, whichever is lower. Cost is determined on periodic moving weighted average basis.

Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to effect the sale.

Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventory to the present location and condition.

Due allowances are made for slow | non-moving, defective and obsolete inventories based on estimates made by the Company.

Items such as spare parts, stand-by equipment and servicing equipment that are not plant and machinery get classified as inventory.

p) Investments and other financial assets

Classification and measurement

The Company classifies its financial assets in the following measurement categories:

i) those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss)
ii) those measured at amortised cost
iii) those measured at carrying cost for equity instruments of subsidiary company

The classification depends on business model of the Company for managing financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

Debt instruments:

Initial recognition and measurement

Financial asset is recognised when the Company becomes a party to the contractual provisions of the instrument. Financial asset is recognised initially at fair value plus, in case the financial asset is not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial asset carried at fair value through profit or loss are expensed in the Standalone Statement of Profit and Loss.

Subsequent measurement

Subsequent measurement of debt instruments depends on the business model of the Company for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

Measured at amortised cost:

Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the EIR method less impairment, if any, the amortisation of EIR and loss arising from impairment, if any is recognised in the Standalone Statement of Profit and Loss.

Investments and other financial assets (continued)

Measured at fair value through other comprehensive income (FVTOCI):

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognised in the OCI. Interest income measured using the EIR method and impairment losses, if any are recognised in the Standalone Statement of Profit and Loss. On derecognition, cumulative gain | (loss) previously recognised in OCI is reclassified from the equity to other income in the Standalone Statement of Profit and Loss.

Measured at fair value through profit or loss (FVTPL):

A financial asset not classified as either amortised cost or FVTOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as other income in the Standalone Statement of Profit and Loss.

Equity instruments

The Company subsequently measures all investments in equity instruments other than subsidiary company at fair value. The Company has elected to present fair value gains and losses on such equity investments through FVTPL, and there is no subsequent reclassification of these fair value gains and losses to OCI. Dividends from such investments continue to be recognised in profit or loss as other income when the right to receive payment is established.

Changes in the fair value of financial assets at FVTPL are recognised in the Standalone Statement of Profit and Loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVTOCI are not reported separately from other changes in fair value.

Investment in subsidiary company:

Investments in subsidiary company is carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiary company the difference between net disposal proceeds and the carrying amounts are recognised in the Standalone Statement of Profit and Loss.

Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its financial assets carried at amortised cost and FVTOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 29.7 details how the Company determines whether there has been a significant increase in credit risk.

For trade and lease receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of such receivables. The Company computes expected lifetime losses based on a provision matrix, which takes into account historical credit loss experience and adjusted for forward-looking information.

Derecognition

A financial asset is derecognised only when the Company has transferred the rights to receive cash flows from the financial asset, the asset expires or the Company retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised through the Standalone Statement of Profit and Loss or other comprehensive income as applicable. Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the Company has neither transferred a financial asset nor retained substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Investments and other financial assets (continued)

Financial liabilities

i) Classification as debt or equity:

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

ii) Initial recognition and measurement:

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the fair value.

iii) Subsequent measurement:

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Standalone Statement of Profit and Loss.

iv) Derecognition:
A financial liability is derecognised when the obligation specified in the contract is discharged or cancelled or expired.

q) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the Standalone Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the assets and settle the liabilities simultaneously.

r) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest rate method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. If not, the fee is deferred until the draw down occurs.

Borrowings are removed from the Standalone Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income | (expense).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

s) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

t) Provisions and contingent liabilities

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. These are reviewed at each year end and reflect the best current estimate. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

u) Employee benefits

Defined benefit plan

Gratuity:

Gratuity liability is a defined benefit obligation and is computed on the basis of an actuarial valuation by an actuary appointed for the purpose as per projected unit credit method at the end of each financial year. The liability or asset recognised in the Standalone Balance Sheet in respect of defined benefit gratuity plans, is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The liability so provided is paid to a trust administered by the Company, which in turn invests in eligible securities to meet the liability as and when it become due for payment in future. Any shortfall in the value of assets over the defined benefit obligation is recognised as a liability with a corresponding charge to the Standalone Statement of Profit and Loss.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows with reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate at the beginning of the period to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Standalone Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur directly in other comprehensive income. They are included in retained earnings in the Statement of changes in equity and in the Standalone Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Defined contribution plan

Contributions to defined contribution schemes such as contribution to provident fund, superannuation fund, employees' state insurance corporation, national pension scheme and labour welfare fund are charged as an expense to the Standalone Statement of Profit and Loss based on the amount of contribution required to be made as and when services are rendered by the employees. The above benefits are classified as defined contribution schemes as the Company has no further defined obligations beyond the monthly contributions.

Short-term employee benefits

All employee benefits payable within 12 months of service such as salaries, wages, bonus, ex-gratia, medical benefits, etc, are recognised in the year in which the employees render the related service and are presented as current employee benefit obligations. Termination benefits are recognised as an expense as and when incurred.

Short-term employee benefits are provided at undiscounted amount during the accounting period based on service rendered by employees.

Other long-term employee benefits

The liabilities for earned leave is not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

v) Earnings per share

Earnings per share (EPS) is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted EPS, the net profit for the period attributable to equity shareholders and the weighted average number of equity shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Critical estimates and judgements

Preparation of the Standalone Financial Statements require use of accounting estimates, judgements and assumptions, which by definition, will seldom equal the actual results. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the Standalone Financial Statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the Standalone Financial Statements. This Note provides an overview of the areas that involve a higher degree of judgements or complexity and of items that are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the Standalone Financial Statements.

The areas involving critical estimates or judgements are:

i) Estimation for income tax: Note 1 (e)
ii) Estimation of useful life of tangible assets: Note 1 (g)
iii) Estimation of provision for inventories: Note 1 (o)
iv) Allowance for credit losses on trade receivables: Note 1 (m)
v) Estimation of claims | liabilities: Note 1 (t)
vi) Estimation of defined benefit obligations: Note 1 (u)
vii) Fair value measurements: Note 29.7
viii) Impairment: Note 1 (j)

Notes to the Standalone Financial Statements

Note 2 Property, plant and equipment and capital work-in-progress

(₹ lakhs)

Particulars	Land - freehold	Leasehold land[1]	Buildings[2]	Plant and equipment[2]	Vehicles	Office equipment	Furniture and fixtures	Total	Capital work-in-progress[3]
Gross carrying amount									
As at March 31, 2022	3.34	28.85	59.05	1,789.15	-	20.94	10.04	1,911.37	3.81
Additions	-	-	-	22.11	7.00	0.58	0.03	29.72	25.91
Disposals and transfers	-	-	-	(1.98)	-	-	-	(1.98)	(29.72)
As at March 31, 2023	3.34	28.85	59.05	1,809.28	7.00	21.52	10.07	1,939.11	-
Additions	-	-	-	173.82	-	1.04	-	174.86	180.20
Disposals and transfers	-	-	-	-	-	-	-	-	(174.86)
As at March 31, 2024	3.34	28.85	59.05	1,983.10	7.00	22.56	10.07	2,113.97	5.34
Depreciation | Amortisation									
Up to March 31, 2022	-	3.21	19.24	426.99	-	15.05	4.11	468.60	-
For the year	-	0.46	3.49	150.30	1.02	2.78	0.95	159.00	-
Disposals and transfers	-	-	-	(1.88)	-	-	-	(1.88)	-
Up to March 31, 2023	-	3.67	22.73	575.41	1.02	17.83	5.06	625.72	-
For the year	-	0.46	3.02	146.77	1.11	1.55	0.92	153.83	-
Disposals and transfers	-	-	-	-	-	-	-	-	-
Up to March 31, 2024	-	4.13	25.75	722.18	2.13	19.38	5.98	779.55	-
Net carrying amount									
As at March 31, 2023	3.34	25.18	36.32	1,233.87	5.98	3.69	5.01	1,313.39	-
As at March 31, 2024	3.34	24.72	33.30	1,260.92	4.87	3.18	4.09	1,334.42	5.34

Notes:

[1]The lease term in respect of leasehold land is 99 years. The lease term in respect of land acquired under finance lease is up to 99 years with ability to opt for renewal of the lease term on fulfilment of certain conditions.

[2]Includes assets retired from active use.

[3]Capital work-in-progress mainly comprises addition | expansion projects in progress.

Refer Note 29. 2 for disclosure of contractual commitment for acquisition of property, plant and equipment.

Capital-work-in progress ageing

(₹ lakhs)

Particulars	As at March 31, 2024					As at March 31, 2023				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	5.34	-	-	-	5.34	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-	-	-	-	-	-

There is no project over run during the year

Title deeds of immovable properties not held in the name of the Company

As at March 31, 2024

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (₹ lakhs)	Title deeds held in the name of	Whether title deed holder is a promoter | director | employee | relative of promoter, director or employee	Property held since which date	Reason for not being held in the name of the Company
Property, plant and equipment (Building)	Flat at Ankleshwar	1.05	Amal Rasayan Ltd	No	March 31, 1999	Former name of the Company

As at March 31, 2023

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (₹ lakhs)	Title deeds held in the name of	Whether title deed holder is a promoter | director | employee | relative of promoter, director or employee	Property held since which date	Reason for not being held in the name of the Company
Property, plant and equipment (Building)	Flat at Ankleshwar	1.05	Amal Rasayan Ltd	No	March 31, 1999	Former name of the Company

(₹ lakhs)

Note 3 Intangible assets	Computer software
Gross carrying amount	
As at March 31, 2023	-
Addition	31.73
As at March 31, 2024	**31.73**
Amortisation	
As at March 31, 2023	-
Amortisation charged for the year	10.58
As at March 31, 2024	**10.58**
Net carrying amount	
As at March 31, 2023	-
As at March 31, 2024	**21.15**

Note 4.1 Investment in a subsidiary company		Face value (₹)	As at March 31, 2024		As at March 31, 2023	
			Number of shares	Amount (₹ lakhs)	Number of shares	Amount (₹ lakhs)
a)	Investment in equity instruments measured at cost (fully paid-up)					
	Unquoted					
	Amal Speciality Chemicals Ltd	10	77,19,000	3,500.14	77,19,000	3,500.14
	Total equity investment in subsidiary company (A)			**3,500.14**		**3,500.14**
b)	Investment in preference shares measured at cost (fully paid-up)					
	Unquoted					
	Amal Speciality Chemicals Ltd (10% non cumulative redeemable preference shares)	10	2,00,00,000	2,000.00	2,00,00,000	2,000.00
	Amal Speciality Chemicals Ltd (10.5% non cumulative redeemable preference shares)	10	2,19,90,000	2,199.00	-	-
	Total Preference shares investment in subsidiary company (B)			**4,199.00**	**2,00,00,000**	**2,000.00**
	Total (A+B)			**7,699.14**		**5,500.14**

Note 4.2 Other investments	Face value (₹)	As at March 31, 2024		As at March 31, 2023	
		Number of shares	Amount (₹ lakhs)	Number of shares	Amount (₹ lakhs)
Investment in equity instruments measured at FVTPL (fully paid-up)					
Unquoted					
Aakar Performance Plastics Pvt Ltd	10	880	-	880	-
Valmiki Poly Products Ltd	10	40,000	-	40,000	-
Zoroastrian Co-operative Bank Ltd	25	4,000	-	4,000	-
BEIL Infrastructure Ltd	10	21,000	2.10	21,000	2.10
Narmada Clean Tech	10	4,06,686	40.67	4,06,686	40.67
Total other investments (C)			**42.77**		**42.77**

Note 4.3 Current investment	As at March 31, 2024		As at March 31, 2023	
	Number of units	Amount (₹ lakhs)	Number of units	Amount (₹ lakhs)
Investment in mutual funds measured at FVTPL				
Unquoted				
Investment in mutual funds measured at FVTPL	687	30.02	-	-
Total current investments (D)		**30.02**		**-**
Aggregate amount of unquoted investments (A+B+C+D)		**7,771.93**		**5,542.91**

(₹ lakhs)

Note 5 Loans	As at March 31, 2024		As at March 31, 2023	
	Current	Non-current	Current	Non-current
Loan to subsidiary company measured at amortised cost (refer Note 29.3 and 29.10)				
Considered good - unsecured	-	-	283.17	1,415.83
	-	**-**	**283.17**	**1,415.83**

(₹ lakhs)

Note 6 Other financial assets		As at March 31, 2024		As at March 31, 2023	
		Current	Non-current	Current	Non-current
a)	Security deposits for utilities and premises	-	94.57	49.94	94.57
b)	Other receivables				
	Related party (refer Note 29.3)	-	-	14.20	-
		-	**94.57**	**64.14**	**94.57**

(₹ lakhs)

Note 7 Other assets		As at March 31, 2024		As at March 31, 2023	
		Current	Non-current	Current	Non-current
a)	Gratuity fund	5.62	-	7.23	-
b)	Advances other than capital advance:				
	i) Advances for goods and services	14.64	-	67.00	-
c)	Other receivables (including discount receivable and prepaid expenses)	26.64	0.14	8.46	0.32
		46.90	**0.14**	**82.69**	**0.32**

(₹ lakhs)

Note 8 Inventories		As at March 31, 2024	As at March 31, 2023
a)	Raw materials	47.98	60.12
	Add: Goods-in-transit	25.63	-
		73.61	60.12
b)	Finished goods	8.33	20.88
c)	Stores, spares and fuel	99.24	81.33
		181.18	**162.33**

Notes:

Refer Note 14 (iii) for information on inventories have been offered as security against the working capital facilities provided by the bank.

Valued at cost or net realisable value, whichever is lower.

(₹ lakhs)

Note 9 Trade receivables[1]	As at March 31, 2024	As at March 31, 2023
Considered good - unsecured		
i) Related parties (refer Note 29.3)	178.26	41.74
ii) Others	158.46	231.82
	336.72	**273.56**

Notes:

[1]Refer Note 14 (iii) for information on trade receivables have been offered as security against the working capital facilities provided by the bank.

Trade receivables consists of few customers, primarily from the related parties, for which ongoing credit evaluation is performed on the financial condition of the account receivables, historical experience of collecting receivables, subsequent realisations and orders in hand.

Based on evaluation, allowance for doubtful debts recognised in the Standalone Statement of Profit and Loss is ₹ nil (March 31, 2023 ₹ nil).

Trade receivable ageing

(₹ lakhs)

No.	Particulars	As at March 31, 2024						
		Not due	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	Total
1.	Undisputed trade receivables: considered good	336.57	0.15	-	-	-	-	**336.72**

(₹ lakhs)

No.	Particulars	As at March 31, 2023						
		Not due	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	Total
1.	Undisputed trade receivables: considered good	273.56	-	-	-	-	-	**273.56**

(₹ lakhs)

Note 10 Cash and cash equivalents		As at March 31, 2024	As at March 31, 2023
a)	Balances with banks		
	In current accounts	41.76	30.23
	In fixed deposit with original maturity Less than 3 months	-	230.21
b)	Cash on hand	0.13	0.02
		41.89	**260.46**

(₹ lakhs)

Note 11 Equity share capital		As at March 31, 2024		As at March 31, 2023	
a)	**Authorised**	No of shares	₹ lakhs	No of shares	₹ lakhs
	Equity shares of ₹ 10 each	1,50,00,000	1,500.00	1,50,00,000	1,500.00
			1,500.00		**1,500.00**
b)	**Issued and subscribed**				
	Equity shares of ₹ 10 each, fully paid	1,23,62,662	1,236.27	1,23,62,662	1,236.27
			1,236.27		**1,236.27**

Note 11 Equity share capital (continued)

a) Rights, preferences and restrictions:

The Company has one class of shares referred to as equity shares having a par value of ₹ 10 each.

i) Equity shares:

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts and preference shares. The distribution will be in proportion to the number of equity shares held by the shareholders. Each holder of equity shares is entitled to one vote per share.

ii) Dividend:

The dividend proposed by the Board, if any, is subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

b) Issue of shares under rights issue:

On December 14, 2022, the Board of Directors of the Company approved the rights issue of equity shares. Subsequently the Right Issue Committee approved the rights issue of 29,37,662 equity shares of face value of ₹ 10 each at a price of ₹ 170 per share (including security premium of ₹ 160) in the ratio of 24:77, i.e. 24 new shares for 77 existing equity shares held by the eligible shareholders on record date, i.e. February 21, 2023. On March 23, 2023 the Committee has approved the allotment of 29,37,662 equity shares of face value of ₹ 10 each to the eligible shareholders. The entire proceeds received from the rights issue during the year amounting to ₹ 4994.03 lakhs were used for the objects stated in the offer document of the rights issue.
Equity issue expenses of ₹ 56.87 Lakhs has been adjusted against securities premium in the year ended on March 31, 2023.

c) Details of shareholders holding more than 5% of equity shares:

No.	Name of the shareholder	As at March 31, 2024		As at March 31, 2023	
		Holding %	Number of shares	Holding %	Number of shares
1	Atul Finserv Ltd	48.48%	59,92,874	48.48%	59,92,874
2	Aagam Holdings Pvt Ltd	16.01%	19,79,339	16.01%	19,79,339
3	Atul Ltd (holding company)	1.38%	1,70,130	1.38%	1,70,130

d) Reconciliation of the number of shares outstanding and the amount of equity share capital:

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of shares	₹ lakhs	Number of shares	₹ lakhs
Balance as at the beginning of the year	1,23,62,662	1,236.27	94,25,000	942.50
Add: Issue of fully paid up shares through rights issue (refer Note 11(b))	-	-	29,37,662	293.77
Balance as at the end of the year	1,23,62,662	1,236.27	1,23,62,662	1,236.27

e) Shareholding of promoters:

No.	Name of the promoter	As at March 31, 2024			As at March 31, 2023		
		Number of shares	% of total shares	% Change during the year	Number of shares	% of total shares	% Change during the year
1	Atul Finserv Ltd	59,92,874	48.48%	0.00%	59,92,874	48.48%	31.17%
2	Aagam Holdings Pvt Ltd	19,79,339	16.01%	0.00%	19,79,339	16.01%	81.96%
3	Atul Ltd (holding company)	1,70,130	1.38%	0.00%	1,70,130	1.38%	31.17%
4	Aayojan Resources Pvt Ltd	5,15,887	4.17%	0.00%	5,15,887	4.17%	31.17%
5	Adhinami Investments Pvt Ltd	47,876	0.39%	0.00%	47,876	0.39%	31.17%
6	Akshita Holdings Pvt Ltd	16,522	0.13%	0.00%	16,522	0.13%	31.17%
7	Anusandhan Investments Pvt Ltd	9,181	0.07%	0.00%	9,181	0.07%	31.16%
8	Aagam Agencies Pvt Ltd	35,415	0.29%	0.00%	35,415	0.29%	31.17%
9	Sunil Siddharth Lalbhai (on behalf of Vimla Siddharth Family Trust)	27,077	0.22%	0.00%	27,077	0.22%	31.17%
10	Vimlaben S Lalbhai	17,379	0.14%	0.00%	17,379	0.14%	31.16%
11	Sunil Siddharth Lalbhai	4,918	0.04%	0.00%	4,918	0.04%	31.15%
12	Swati S Lalbhai	926	0.01%	0.00%	926	0.01%	31.16%
13	Taral S Lalbhai	655	0.01%	0.00%	655	0.01%	31.00%

f) Details of shares held by holding company

No.	Name of the shareholder	As at March 31, 2024		As at March 31, 2023	
		Holding %	Number of shares	Holding %	Number of shares
1	Atul Finserv Ltd	48.48%	59,92,874	48.48%	59,92,874
2	Atul Ltd (holding company)	1.38%	1,70,130	1.38%	1,70,130

(₹ lakhs)

Note 12 Other equity		As at March 31, 2024	As at March 31, 2023
a)	Securities premium	5,520.28	5,520.28
b)	Retained earnings	530.60	287.60
c)	Other reserves		
	Capital contribution from Atul Ltd	1,646.57	1,646.57
		7,697.45	**7,454.45**

Refer Standalone Statement of changes in equity for detailed movement in other equity balance.

Nature and purpose of reserves

a) Securities premium

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

b) Retained earnings

Retained earnings are the profits that the Company has earned till date, any transfers from or to other comprehensive income, dividends or other distributions paid to shareholders.

c) Other reserve

As per Modified Sanction Scheme MS-10 and MS-13 approved by the Board of Industrial Finance and Reconstruction, the Company had issued 0% redeemable and non-convertible preference shares of ₹ 1,000 lakhs to Atul Ltd (promoter) and received interest free secured loan of ₹ 1,128.89 lakhs and interest free unsecured loan of ₹ 539.58 lakhs from Atul Ltd. These financial liabilities are measured at amortised cost and the initial fair value difference is recognised as capital contribution from Atul Ltd.

(₹ lakhs)

Note 13 Provisions		As at March 31, 2024		As at March 31, 2023	
		Current	Non-current	Current	Non-current
a)	Provision for compensated absences	1.29	9.44	1.39	10.85
b)	Others (refer Note (b) below)	443.85	-	386.75	-
		445.14	**9.44**	**388.14**	**10.85**

i) Information about individual provisions and significant estimates

a) Compensated absences:

The compensated absences cover the liability for earned leave. Out of the total amount disclosed above, the amount of ₹ 1.29 lakhs (March 31, 2023: ₹ 1.39 lakhs) is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12

b) Others:

Regulatory and other claims:

The Company has provided for certain regulatory and other charges for which it has received claims. The provision represents the unpaid amount that it expects to incur | pay for which the obligating event has already arisen as on the reporting date.

ii) Movements in provisions

(₹ lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
	Income tax	Income tax
Balance as at the beginning of the year	386.75	-
Provision made during the year	57.10	-
Balance as at the end of the year	**443.85**	**386.75**

(₹ lakhs)

Note 14 Borrowings		Maturity	Terms of repayment	Interest rate p.a	As at March 31, 2024		As at March 31, 2023	
					Current	Non-current	Current	Non-current
	Secured							
a)	Working capital loan from Axis bank	Short-term	Repayable on demand	8.75% to 9.00% (March 31, 2023: 8.75% to 9.00%)	-	-	0.62	-
					-	**-**	**0.62**	**-**

Notes:

i) Security details:

Working capital loans repayable on demand from banks (March 31, 2024: ₹ Nil lakhs, March 31, 2023: ₹ 0.62 lakhs) is secured by hypothecation of tangible current assets, namely, inventories and book debts of the Company as a whole and also secured by second and subservient charge on immovable and movable assets of the Company.

ii) Quarterly statement of current assets filed with banks during the year are in agreement with the books of accounts.

iii) The carrying amount of assets hypothecated as security for borrowing limits are:

(₹ lakhs)

Particulars		As at March 31, 2024	As at March 31, 2023
a)	Inventories	181.18	162.33
b)	Trade receivables	336.72	273.56
		517.90	**435.89**

(₹ lakhs)

Note 15 Trade payables		As at March 31, 2024	As at March 31, 2023
a)	Total outstanding dues of micro-enterprises and small enterprises (refer Note 29.11)	16.67	10.69
b)	Total outstanding dues of creditors other than micro-enterprises and small enterprises		
	i) Related parties (refer Note 29.3)	22.92	84.16
	ii) Others	140.77	144.51
		163.69	**228.67**
		180.36	**239.36**

Trade payable ageing

(₹ lakhs)

No.	Particulars	As at March 31, 2024						
		Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i)	MSME	-	16.67	-	-	-	-	**16.67**
ii)	Others	93.66	40.35	21.97	5.04	2.67	-	**163.69**

(₹ lakhs)

No.	Particulars	As at March 31, 2023						
		Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i)	MSME	-	10.69	-	-	-	-	**10.69**
ii)	Others	77.99	119.09	24.00	5.04	2.55	-	**228.67**

(₹ lakhs)

Note 16 Other financial liabilities		As at March 31, 2024		As at March 31, 2023	
		Current	Non-current	Current	Non-current
a)	Employee benefits payable	33.54	-	20.29	-
b)	Security deposits				
	(i) Related parties (refer Note 29.3)	70.69	-	-	-
	(ii) Others	25.05	-	23.19	-
c)	Creditors for capital goods	15.22	-	-	-
		144.50	**-**	**43.48**	**-**

(₹ lakhs)

Note 17 Contract liabilities	As at March 31, 2024	As at March 31, 2023
Advance received from customers	1.49	3.30
	1.49	**3.30**

(₹ lakhs)

Note 18 Other current liabilities	As at March 31, 2024	As at March 31, 2023
Statutory dues	38.32	41.27
	38.32	**41.27**

(₹ lakhs)

Note 19 Revenue from operations[1]	2023-24	2022-23
Sale of products		
Sale of chemicals	1,989.31	3,252.32
Sale of steam	1,086.31	576.33
Revenue from contracts with customers	**3,075.62**	**3,828.65**
Other operating revenue:		
Scrap sales | Other revenue	5.90	10.96
Sale of services	51.91	76.44
	3,133.43	**3,916.05**

[1]Contracts with customers are for short-term, at an agreed price basis having contracted credit period ranging up to 45 days. These contracts are mainly for sale of chemical products and steam besides sale of scrap and other goods. The contracts do not grant for any right to return to the customers. Return of goods are accepted by the Company only on exceptional basis.

Reconciliation of revenue from contracts with customers recognised at contract price:

(₹ lakhs)

Particulars	2023-24	2022-23
Contract price	3,080.69	3,900.71
Adjustments for:		
Consideration payable to customers - discounts[1]	(5.07)	(72.06)
Revenue from contract with customers	**3,075.62**	**3,828.65**

[1]Consideration payable to customers like discounts and price reductions offered to customers are estimated on specific identified basis and reduced from the contract price when the Company recognises revenue from the transfer of the related goods or services to the customer and the entity pays or promises to pay the consideration.

(₹ lakhs)

Note 20 Other income	2023-24	2022-23
Income from investments in mutual funds measured at FVTPL	9.41	-
Dividend income from investments measured at FVTPL	0.53	0.53
Interest from others (refer Note 29.3)	159.89	293.38
Interest on fixed deposit	0.23	0.29
Lease income	27.11	26.44
Gain on disposal of asset held for sale	4.25	2.33
Sundry credit balance appropriated	1.92	79.19
Miscellaneous income	0.17	0.81
	203.51	**402.97**

(₹ lakhs)

Note 21 Cost of materials consumed	2023-24	2022-23
Raw materials consumed		
Stocks at commencement	60.12	95.97
Add: Purchase	1,574.48	2,677.15
	1,634.60	2,773.12
Less: Stocks at close	47.98	60.12
	1,586.62	**2,713.00**

(₹ lakhs)

Note 22 Changes in inventories of finished goods	2023-24	2022-23
Stocks at close		
Finished goods	8.33	20.88
	8.33	20.88
Less: Stocks at commencement		
Finished goods	20.88	41.62
	20.88	41.62
(Increase) | Decrease in stocks	**12.55**	**20.74**

(₹ lakhs)

Note 23 Power, fuel and water	2023-24	2022-23
Power, fuel and water	339.53	356.13
	339.53	**356.13**

(₹ lakhs)

Note 24 Repairs and maintenance	2023-24	2022-23
Consumption of stores and spares	98.44	102.78
Plant and equipment repairs	113.52	128.07
	211.96	230.85

(₹ lakhs)

Note 25 Employee benefit expenses	2023-24	2022-23
Salaries, wages and bonus (refer Note 29.5)	221.12	217.28
Contribution to provident and other funds (refer Note 29.5)	9.15	10.55
Staff welfare	4.95	5.24
	235.22	233.07

(₹ lakhs)

Note 26 Finance costs	2023-24	2022-23
Interest on redeemable and non-convertible preference shares carried at amortised cost	-	27.63
Interest on working capital loan	0.21	3.10
Interest on others	57.53	57.25
	57.74	87.98

(₹ lakhs)

Note 27 Depreciation and amortisation expenses	2023-24	2022-23
Depreciation on propery, plant and equipment (refer Note 2)	153.83	159.00
Amortisation of intangible assets (refer Note 3)	10.58	-
	164.41	159.00

(₹ lakhs)

Note 28 Other expenses	2023-24	2022-23
Plant operation charges	42.38	47.14
Freight charges	23.92	35.13
Effluent treatment expenses	39.86	32.95
Security services	18.57	23.18
Business auxiliary services	124.96	115.17
Legal and professional expenses	28.49	22.61
Rent	2.33	3.17
Rates and taxes	7.15	10.34
Remuneration to the Statutory Auditors		
a) Audit fees	8.42	7.31
b) Tax matters	1.98	1.73
Directors' fees	9.40	9.90
Expenditure on Corporate Social Responsibility initiatives (refer Note 29.12)	12.05	20.85
Miscellaneous expenses	64.22	52.22
	383.73	381.70

Note 29.1 Contingent liabilities

(₹ lakhs)

	Particulars	As at March 31, 2024	As at March 31, 2023
Claims against the Company not acknowledged as debts in respects of:			
i)	Sales tax	62.86	62.86
ii)	Corporate guarantee	5,100.00	5,800.00

Note 29.2 Commitments

Capital commitments

Capital expenditure contracted for at the end of the reporting period, but not recognised as liabilities, is as follows:

(₹ lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Estimated amount of contracts remaining to be executed and not provided for (net of advances):		
Property, plant and equipment	3.72	-

Note 29.3 Related party disclosures

Note 29.3 (A) Related party information

Name of the related party and nature of relationship

No.	Name of the related party	Description of relationship
1.	Atul Finserv Ltd	Investing company and fellow subsidiary company
2.	Atul Ltd	Holding company, by virtue of control
3.	Amal Speciality Chemicals Ltd	Wholly-owned subsidiary
4.	Aagam Holdings Pvt Ltd	Entities over which Key Management Personnel or their close family members have significant influence
5.	Adhigam Investment Pvt Ltd	
6.	Aayojan Resources Pvt Ltd	
7.	Atul Foundation Trust	
8.	Key Management Personnel	
	Sunil Lalbhai	Chairman
	Rajeev Kumar	Managing Director
	Gopi Kannan Thirukonda	Non-executive Director
	Sujal Shah[1]	Independent Director
	Abhay Jadeja[1]	Independent Director
	Mahalakshmi Subramanian	Independent Director
	Jyotin Mehta	Independent Director
	Dipali Sheth	Independent Director
	Drushti Desai	Independent Director
	Venkatraman Srinivasan	Independent Director
	Yogesh Vyas	Chief Financial Officer
	Ankit Mankodi	Company Secretary
9.	Close family members of Key Management Personnel	
	Vimla Lalbhai	Mother of Sunil Lalbhai
	Swati Lalbhai	Sister of Sunil Lalbhai
	Taral Lalbhai	Sister of Sunil Lalbhai

[1]Retired during the year

(₹ lakhs)

Note 29.3 (B) Transactions with related parties			2023-24	2022-23
a)	Sales and income			
	1.	Sale of goods	**1,095.42**	**2,141.53**
		Atul Ltd	1,092.80	2,123.83
		Amal Speciality Chemicals Ltd	2.62	17.70
	2.	Service charges received	**51.91**	**76.44**
		Amal Speciality Chemicals Ltd	51.91	76.44
	3.	Interest received	**159.83**	**293.38**
		Amal Speciality Chemicals Ltd	159.83	293.38
	4.	Lease rent received	**27.11**	**26.44**
		Amal Speciality Chemicals Ltd	27.11	26.44
	5.	Reimbursements received	**118.65**	**88.45**
		Atul Ltd	0.50	0.36
		Amal Speciality Chemicals Ltd	118.15	88.09
b)	Purchases and expenses			
	1.	Purchase of goods	**284.71**	**40.10**
		Atul Ltd	33.21	40.10
		Amal Speciality Chemicals Ltd	251.50	-
	2.	Business auxiliary services	**143.23**	**115.17**
		Atul Ltd	123.81	101.29
		Amal Speciality Chemicals Ltd	19.42	13.88
	3.	EDP software expense	**15.44**	**10.65**
		Atul Ltd	5.78	10.65
		Atul Infotech Pvt Ltd	9.66	-
	4.	Reimbursement of expenses	**460.25**	**217.12**
		Atul Ltd	0.41	5.19
		Amal Speciality Chemicals Ltd	459.84	211.93

Note 29.3 Related party disclosures (continued)

c)	Other transactions			
	1.	Redemption of 0% redeemable and non-convertible preference shares	-	200.00
		Atul Ltd	-	200.00
	2.	Unsecured loan (repayment) | disbursement[1]	(1,699.00)	(503.00)
		Amal Speciality Chemicals Ltd	(1,699.00)	(503.00)
	3.	Direct investment made in Amal Speciality Chemicals Ltd[1]	2,199.00	5,000.14
		Equity shares	-	3,000.14
		10% non cumulative redeemable preference shares	-	2,000.00
		10.5% non cumulative redeemable preference shares	2,199.00	-

[1]During 2023-24, the loans aggregating ₹ 1,699 lakhs as of March 31, 2023 is converted into 1,69,90,000, 10.50% non cumulative redeemable preference shares at ₹ 10 per share, amounting to ₹ 1,699 lakhs and additional investment of ₹ 500 lakhs made into 50,00,000, 10.50% non cumulative redeemable preference shares at ₹ 10 per share.

During 2022-23, the loans aggregating ₹ 5,000.14 lakhs are converted into 27,19,000 equity shares at ₹ 110.34 per share amounting to ₹ 3,000.14 lakhs and 2,00,00,000, 10% non cumulative redeemable preference shares at ₹ 10 per share, amounting to ₹ 2,000 lakhs.

(₹ lakhs)

Note 29.3 (C) Key Management Personnel compensation		2023-24	2022-23
Remuneration		27.65	17.38
1.	Short-term employee benefits[1]	18.25	7.48
2.	Sitting fees to Independent Directors	9.40	9.90

[1] Compensation excludes provision for gratuity and compensated absences since these are based on actuarial valuation on an overall company basis.

(₹ lakhs)

Note 29.3 (D) Transactions with entities over which Key Management Personnel or their close family members have significant influence		2023-24	2022-23
Other transactions			
1.	Expenditure on Corporate Social Responsibility initiatives	12.05	20.85
	Atul Foundation Trust	12.05	20.85

(₹ lakhs)

Note 29.3 (E) Outstanding balances		As at March 31, 2024	As at March 31, 2023
1.	Receivables	178.26	55.94
	Atul Ltd	159.89	9.02
	Amal Speciality Chemicals Ltd	18.37	46.92
2.	Loans given	-	1,699.00
	Amal Speciality Chemicals Ltd	-	1,699.00
3.	Payables	93.62	84.16
	Atul Ltd	14.05	44.11
	Atul Infotech Ltd	1.90	-
	Amal Speciality Chemicals Ltd	77.67	40.05

Note 29.3 (F) Terms and conditions

1. Sales to and purchases from related parties were made on normal commercial terms and conditions and at prevailing market prices or where market price is not available, at cost plus margin.
2. Transactions relating to dividends were on the same terms and conditions that applied to other shareholders.
3. All outstanding balances are unsecured and are repayable in cash and cash equivalent.

Note 29.4 Current and deferred tax

The major components of income tax expense for the years ended March 31, 2024 and March 31, 2023, are:

a) Income tax expense recognised in the Standalone Statement of Profit and Loss (₹ lakhs)

	Particulars	2023-24	2022-23
i)	Current tax		
	Current tax on profit for the year	100.20	51.96
	Adjustments for current tax of prior periods	(1.67)	8.88
	Total current tax expense	98.53	60.84
ii)	Deferred tax		
	(Decrease) | Increase in deferred tax liabilities	3.64	3.25
	Decrease | (Increase) in deferred tax assets	0.38	(0.45)
	Total deferred tax expense | (benefit)	4.02	2.80
	Income tax expense	102.55	63.64

b) The reconciliation between the statutory income tax rate applicable to the Company and the effective income tax rate of the Company is as follows:

	Particulars	2023-24	2022-23
a)	Statutory income tax rate	25.17%	25.17%
b)	Differences due to:		
	i) Non-deductible expenses	5.07%	12.50%
	ii) Income taxed at lower rate	(0.16%)	(0.42%)
	iii) Tax adjustment of earlier years	(0.48%)	6.37%
	iv) Others	0.11%	2.01%
	Effective income tax rate	29.71%	45.63%

Note 29.4 Current and deferred tax (continued)

c) Income tax assets

(₹ lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening balance	30.55	(282.20)
Taxes paid in advance, net of provision during the year	2.08	15.79
Transfer to provisions	-	296.96
Closing balance	**32.63**	**30.55**

d) Current tax liabilities

(₹ lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening balance	-	-
Add: Current tax payable for the year	100.20	-
Less: Taxes paid	(98.03)	-
Closing balance	**2.17**	**-**

e) Deferred tax liabilities (net)

The balance comprises temporary differences attributable to the below items and corresponding movement in deferred tax liabilities | (assets):

(₹ lakhs)

Deferred tax liabilities | (assets)	As at March 31, 2024	Charged | (Credited) to profit or loss	As at March 31, 2023	Charged | (credited) to profit or loss	As at March 31, 2022
Property, plant and equipment	113.44	3.64	109.80	10.20	99.60
Financial liabilities at amortised cost	(0.03)	-	(0.03)	(6.95)	6.92
Provision for leave encashment	(1.68)	0.38	(2.06)	(0.45)	(1.61)
Unrealised gain | (loss) on mutual funds	0.00	0.00	-	-	-
Net deferred tax liabilities | (assets)	**111.73**	**4.02**	**107.71**	**2.80**	**104.91**

Note 29.5 Employee benefit obligations

Funded schemes

a) Defined contribution plans

Gratuity

The gratuity fund is maintained with the Life Insurance Corporation of India and Bajaj Allianz Life Insurance under Group Gratuity scheme. Every employee is entitled to a benefit equivalent to the last drawn salary of 15 days for each completed year of service in line with the Payment of Gratuity Act, 1972 or the Company scheme, whichever is more beneficial. Gratuity is payable at the time of separation or retirement from the Company, whichever is earlier. The benefit vests after five years of continuous service.

(₹ lakhs)

Particulars	Present value of obligation	Fair value of plan assets	Net amount
As at March 31, 2022 liability | (asset)	**13.24**	**(16.69)**	**(3.45)**
Current service cost	3.41	-	3.41
Interest expense | (income)	0.84	(1.07)	(0.23)
Total amount recognised in Statement of Profit and Loss	**4.25**	**(1.07)**	**3.18**
Remeasurement			
(Gain) | loss from change in financial assumptions	(1.61)	-	(1.61)
Return on plan assets, excluding amount included in interest expense	0.58	0.11	0.69
Experience (gain)	(1.97)	-	(1.97)
Total (income) | expense recognised in other comprehensive income	**(3.00)**	**0.11**	**(2.89)**
Employer contributions	-	(4.07)	(4.07)
As at March 31, 2023 liability | (asset)	**14.49**	**(21.72)**	**(7.23)**
Current service cost	2.57	-	2.57
Interest expense | (income)	1.07	(1.59)	(0.52)
Total (income) | expense recognised in Statement of Profit and Loss	**3.63**	**(1.59)**	**2.04**
Remeasurement			
(Gain) | loss from change in financial assumptions	0.59	-	0.59
Return on plan assets, excluding amount included in interest expense	(0.20)	(0.12)	(0.32)
Experience (gain)	(0.65)	-	(0.65)
Total (income) | expense recognised in other comprehensive income	**(0.26)**	**(0.12)**	**(0.38)**
Employer contributions	-	(0.06)	(0.06)
Transfer in | out	(0.51)	0.51	-
As at March 31, 2024 liability | (asset)	**17.35**	**(22.97)**	**(5.62)**

The net liability disclosed above relates to following funded and unfunded plans:

(₹ lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Present value of funded obligations	17.35	14.49
Fair value of plan assets	(22.97)	(21.72)
(Surplus) of gratuity plan	**(5.62)**	**(7.23)**

Note 29.5 Employee benefit obligations (continued)

Significant estimates: Actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Discount rate	7.19%	7.35%
Attrition rate	14.00%	13.00%
Rate of return on plan assets	7.19%	7.35%
Salary escalation rate	10.36%	9.84%
Mortality rate	Indian assured lives mortality (2012-14) urban	Indian assured lives mortality (2012-14) urban

Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	Change in assumptions		Impact on defined benefit obligation			
			Increase in assumptions		Decrease in assumptions	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Discount rate	1.00%	1.00%	(5.04%)	(5.42%)	5.57%	6.02%
Attrition rate	1.00%	1.00%	(1.31%)	(1.29%)	1.40%	1.38%
Salary escalation rate	1.00%	1.00%	5.35%	5.82%	(4.95%)	(5.35%)

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied while calculating the defined benefit liability recognised in the Standalone Balance Sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change as compared to the previous year.

Risk exposure

Through its defined contribution plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

i) Interest rate risk

A fall in the discount rate that is linked to the government securities rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

ii) Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan liability.

iii) Investment risk

The present value of the defined benefit plan liability is calculated using a discount rate, which is determined with reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities and other debt instruments.

iv) Concentration risk

Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

The weighted average duration of the defined benefit obligation is seven years (2022-23: seven years). The expected maturity analysis of gratuity is as follows:

(₹ lakhs)

Particulars	Less than a year	Between 1 - 2 years	Between 2 - 5 years	Over 5 years	Total
Defined benefit obligation (gratuity)					
As at March 31, 2024	1.69	1.83	5.54	18.41	27.46
As at March 31, 2023	1.32	1.42	4.45	16.98	24.17

b) Other long-term benefits

Leave encashment is payable to eligible employees who have earned leaves, during the employment and | or on separation as per the policy of the Company. Valuation in respect of leave encashment has been carried out by an independent actuary, as at the Standalone Balance Sheet date, based on the following assumptions:

(₹ lakhs)

Expenses recognised for the year March 31, 2024 (included in Note 25)	2023-24	2022-23
Present value of unfunded obligations	**10.73**	**12.24**
- Current	1.29	1.39
- Non-current	9.44	10.85
Expense recognised in the Standalone Statement of Profit and Loss	(0.57)	3.64
Discount rate	7.19%	7.35%
Salary escalation rate	10.36%	9.84%

Note 29.5 Employee benefit obligations (continued)

c) Defined contribution plans:

Provident fund

State defined contribution plans

Employers' contribution to employees' state insurance

Employers' contribution to employees' pension scheme 1995

The provident fund and the state defined contribution plans are operated by the Regional Provident Fund Commissioner. Under the scheme, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit scheme to fund the benefits. These funds are recognised by the income tax authorities. The contribution of the Company to the provident fund and other contribution plans for all employees is charged to the Standalone Statement of Profit and Loss.

Defined contribution plans (continued)

The Company has recognised the following amounts in the Standalone Statement of Profit and Loss for the year (refer Note 25):

(₹ lakhs)

Particulars	2023-24	2022-23
Contribution to provident fund	3.98	4.07
Contribution to employees pension scheme 1995	4.00	4.89
Contribution to employees' state insurance	0.93	1.29
Contribution to employee depository linked insurance	0.24	0.30
	9.15	**10.55**

Note 29.6 Fair value measurements

Financial instruments by category

(₹ lakhs)

Particulars	As at March 31, 2024			As at March 31, 2023		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial assets						
Investments:						
Equity instruments	42.77	-	7,699.14	42.77	-	5,500.14
Mutual funds	30.02	-	-	-	-	-
Loans	-	-	-	-	-	1,699.00
Trade receivables	-	-	336.72	-	-	273.56
Security deposits for utilities and premises	-	-	94.57	-	-	144.51
Other receivables	-	-	-	-	-	14.20
Cash and bank balances	-	-	41.89	-	-	260.46
Total financial assets	**72.79**	**-**	**8,172.32**	**42.77**	**-**	**7,891.87**
Financial liabilities						
Trade payables	-	-	180.36	-	-	239.36
Borrowings	-	-	-	-	-	0.62
Employee benefits payable	-	-	33.54	-	-	20.29
Creditors for capital goods	-	-	15.22	-	-	-
Security deposits	-	-	95.74	-	-	23.19
Total financial liabilities	**-**	**-**	**324.86**	**-**	**-**	**283.46**

a) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are: a) recognised and measured at fair value and b) measured at amortised cost and for which fair values are disclosed in the Standalone Financial Statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed in the Indian Accounting Standard. An explanation of each level follows underneath the table:

(₹ lakhs)

i) Financial assets and liabilities measured at fair value as at March 31, 2024	Level 1	Level 2	Level 3	Total
Financial assets				
Financial investments measured at FVTPL:				
Unquoted equity shares[1]	-	-	42.77	42.77
Mutual funds at FVTPL	-	30.02	-	30.02
Total financial assets	**-**	**30.02**	**42.77**	**72.79**

(₹ lakhs)

ii) Financial assets and liabilities measured at fair value as at March 31, 2023	Level 1	Level 2	Level 3	Total
Financial assets				
Financial investments measured at FVTPL:				
Unquoted equity shares[1]	-	-	42.77	42.77
Total financial assets	**-**	**-**	**42.77**	**42.77**

[1]Includes investments in BEIL Infrastructure Ltd (21,000 equity shares) and Narmada Clean Tech (4,06,686 equity shares), which are for operation purpose and the Company has to hold it till production at GIDC, Ankleshwar site continues. The Company estimates that the fair value of these investments are not materially different as compared to its cost.

Note 29.6 Fair value measurements (continued)

There were no transfers between any levels during the year.

Level 1: This hierarchy includes financial instruments measured using quoted prices. The fair value of all equity instruments that are traded on the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market (for example over-the-counter derivatives) is determined using valuation techniques, which maximise the use of observable market data and rely as little as possible on entity-specific estimates. The mutual fund units are valued using the closing net assets value. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

b) Valuation techniques used to determine fair value

Specific valuation techniques used to value financial instruments include:

i) the use of quoted market prices or dealer quotes for similar instruments

ii) the fair value of the remaining financial instruments is determined using discounted cash flow analysis

c) Valuation processes

The Finance department of the Company includes a team that performs the valuations of financial assets and liabilities with assistance from independent external experts when required, for financial reporting purposes, including level 3 fair values.

d) Fair value of financial assets and liabilities measured at amortised cost

(₹ lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
	Carrying amount | Fair value	Carrying amount | Fair value
Financial assets		
Security deposits for utilities and premises	94.57	144.51
Loans	-	1,699.00
Total financial assets	**94.57**	**1,843.51**
Financial liabilities		
Borrowings	-	0.62
Total financial liabilities	**-**	**0.62**

The carrying amounts of trade receivables, bank deposits with less than 12 months maturity, cash and cash equivalents, other receivables, trade payables, employee benefits payable, payable towards expenses and retention are considered to be the same as their fair values due to the current and short-term nature of such balances.

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

Note 29.7 Financial risk management

The business activities of the Company are exposed to a variety of financial risks, namely liquidity risk, market risk and credit risk. Responsibility for the establishment and oversight of the risk management framework lies with the Senior Management of the Company. The Company has constituted a Risk Management Committee, which is responsible for developing and monitoring the risk management policies of the Company. The key risks and mitigating actions are also placed before the Audit Committee of the Company. The risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the activities of the Company.

This note explains the risks which the Company is exposed to and how the Company manages the risks in the Standalone Financial Statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Trade receivables, financial assets measured at amortised cost	Aging analysis and credit rating	Diversification of investments in mutual fund and credit limits
Liquidity risk	Cash and cash equivalents, borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities

a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty fails to meet its contractual obligations. Credit risk arises from cash and cash equivalents, financial assets measured at amortised cost or fair value through profit and loss and deposits with banks and financial institutions, as well as credit exposures to trade | non-trade customers including outstanding receivables.

i) Credit risk management

Credit risk is managed through the policy surrounding Credit Risk Management.

ii) Provision for expected credit losses

The Company provides for expected credit loss based on the following:

Trade receivables

Trade receivables consist of few customers, for which ongoing credit evaluation is performed on the financial condition of the account receivables. Historical experience of collecting receivables of the Company is supported by low level of past default and hence the credit risk is perceived to be low.

Note 29.7 Financial risk management (continued)

b) Liquidity risk

Ultimate responsibility for liquidity risk management rests with the Board of Directors, who has approved an appropriate liquidity risk management framework for short, medium and long-term funding and liquidity management requirements of the Company. The Management monitors rolling forecasts of the liquidity position of the Company and cash and cash equivalents on the basis of expected cash flows and manages liquidity risk by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities.

The following table shows the maturity analysis of financial liabilities of the Company based on contractually agreed undiscounted cash flows including contractual interest payment, as at the Standalone Balance Sheet date:

(₹ lakhs)

Contractual maturities of financial liabilities as at March 31, 2024	Less than 1 year	More than 1 year	Total
Borrowings	-	-	-
Trade payables	180.36	-	180.36
Creditors for capital goods	15.22	-	15.22
Security deposits payable	95.74	-	95.74
Employee benefits payable	33.54	-	33.54

(₹ lakhs)

Contractual maturities of financial liabilities as at March 31, 2023	Less than 1 year	More than 1 year	Total
Borrowings	0.62	-	0.62
Trade payables	239.36	-	239.36
Security deposits payable	23.19	-	23.19
Employee benefits payable	20.29	-	20.29

c) Market risk

i) Cash flow and fair value interest rate risk

Maturity analysis of financial liabilities of the Company is based on contractually agreed undiscounted cash flows as at the Balance Sheet date:

Borrowings of the Company was from Axis Bank Ltd and was mainly exposed to interest rate risk due to its variable interest rate borrowings. The interest rate risk arises due to uncertainties about the future market interest rate of these borrowings.

As an estimation of the approximate impact of the interest rate risk, with respect to financial instruments, the Group has calculated the impact of a 25 bps change in interest rates. A 25 bps increase in interest rates would have led to approximately an additional impact of ₹ Nil lakhs (2022-23: ₹ 0.02 lakhs). A 25 bps decrease in interest rates would have led to an equal but opposite effect.

Note 29.8 Segment information

The Company operates in a single business segment that is manufacturing of bulk chemicals. The Board of Directors is the Chief Operating Decision Maker (the 'CODM') of the Company and makes operating decisions, assesses financial performance and allocates resources based upon discrete financial information. Since the Company operate in a single operating segment, separate segment reporting has not been made under Indian Accounting Standard ('Ind AS') 108 -'Operating Segment'. Further, its operations are confined only in one geographical segment i.e. within India.

Note 29.9 Earnings per share

Earnings per share (EPS) - The numerators and denominators used to calculate basic and diluted EPS:

Particulars		2023-24	2022-23
Profit for the year attributable to the equity shareholders	*₹ lakhs*	242.63	72.91
Right issue expenses debited to securities premium	*₹ lakhs*	-	(56.87)
Adjusted profit for the year for EPS calculation	*₹ lakhs*	242.63	16.04
Weighted average number of equity shares			
For basic and diluted EPS	Number	1,23,62,662	99,34,156
Nominal value of equity share	₹	10	10
Basic EPS	₹	1.96	0.16
Diluted EPS	₹	1.96	0.16

Note 29.10 Loans

Disclosures pursuant to the Regulation 34(3) read with para A of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 186 (4) of the Companies Act, 2013.

(₹ lakhs)

Particulars	Purpose	Amount outstanding as at		Maximum balance during the year	
		As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Subsidiary company:					
Amal Speciality Chemicals Ltd	For project expenditure and working capital	-	1,699.00	1,699.00	6,699.14

During 2023-24, the loans aggregating ₹ 1,699 lakhs as of March 31, 2023 is converted into 1,69,90,000, 10.50% non cumulative redeemable preference shares at ₹ 10 per share, amounting to ₹ 1,699 lakhs and additional investment of ₹ 500 lakhs made into 50,00,000, 10.50% non cumulative redeemable preference shares at ₹ 10 per share.

During 2022-23, the loans aggregating ₹ 5,000.14 lakhs are converted into 27,19,000 equity shares at ₹ 110.34 per share amounting to ₹ 3,000.14 lakhs and 2,00,00,000, 10% non cumulative redeemable preference shares at ₹ 10 per share, amounting to ₹ 2,000 lakhs.

Note 29.11 Disclosure requirement under MSMED Act, 2006

The Company has certain dues to suppliers (trade and capital) registered under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act). The disclosures pursuant to the said MSMED Act are as follows:

(₹ lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	16.67	10.69
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-
Further interest remaining due and payable for earlier years	-	-

Above disclosures have been made based on information available with the Company, for suppliers who are registered as Micro, Small and Medium Enterprise under 'The Micro, Small and Medium Enterprise Development Act, 2006' as at March 31, 2024. The auditors have relied upon in respect of this matter.

Note 29.12 Expenditure on Corporate Social Responsibility initiatives

a) Gross amount required to be spent by the Company during the year is ₹ 12.05 lakhs (March 31, 2023: ₹ 20.85 lakhs)

b) Amount spent during the year on:

(₹ lakhs)

	Nature of CSR activities	2023-24			2022-23		
		Paid	Payable	Total	Paid	Payable	Total
i)	Construction / acquisition of any asset	-	-	-	-	-	-
ii)	On purposes other than (i) above	**12.05**	**-**	**12.05**	**20.85**	**-**	**20.85**
	a) Infrastructure facilities	6.25	-	6.25	18.07	-	18.07
	b) Health and Relief	5.80	-	5.80	2.78	-	2.78

c) Refer Note 29.3 (D) for details of contribution to a trust controlled by related party in relation to expenditure on Corporate Social Responsibility initiatives.

Note 29.13 Ratios

No.	Ratio	UoM	Formula	As at March 31, 2024	As at March 31, 2023	% Variance	Reason for variance
a)	Current ratio	Times	A ÷ B	0.75	1.58	-53%	Reduction in current portion of loans given
b)	Debt-equity ratio	Times	I ÷ H	-	0.00	-100%	Maximum outstanding borrowings paid during previous year
c)	Debt service coverage ratio	Times	Q ÷ (J + M)	560.42	1.61	34624%	Maximum outstanding borrowings paid during previous year
d)	Return on equity ratio	%	P ÷ average of H	2.76	1.23	125%	Increase in profitability in current year
e)	Inventory turnover ratio	Times	L ÷ average of D	18.24	18.71	-3%	Below threshold of 25%
f)	Trade receivables turnover ratio	Times	L ÷ average of E	10.27	19.20	-47%	Due to decrease in sales in sales price
g)	Trade payables turnover ratio	Times	R ÷ average of G	10.34	11.96	-14%	Below threshold of 25%
h)	Net capital turnover ratio	Times	L ÷ average of C	30.27	17.64	72%	Reduction in net working capital
i)	Net profit ratio	%	O ÷ L	11.02	3.49	216%	Better profitability in current year
j)	Return on Capital Employed	%	(M + O) ÷ average of K	4.53	3.54	28%	Better profitability in current year
k)	Return on Investment	%	(M + O) ÷ average of F	4.16	3.16	32%	Better profitability in current year

Note 29.13 Ratios (continued)

No.	Base values	UoM	Reference	As at March 31, 2024	As at March 31, 2023
A	Current assets	₹ lakhs	Balance Sheet (current assets) - investments	606.69	1,127.88
B	Current liabilities	₹ lakhs	Balance Sheet (current liabilities) - current borrowings	811.98	715.55
C	Working capital	₹ lakhs	A-B	(205.29)	412.33
D	Inventories	₹ lakhs	Balance Sheet (Note 8)	181.18	162.33
E	Trade receivables	₹ lakhs	Balance Sheet (Note 9)	336.72	273.56
F	Total assets	₹ lakhs	Balance Sheet (total assets)	9,866.87	9,525.45
G	Trade payables	₹ lakhs	Balance Sheet (Note 15)	180.36	239.36
H	Equity	₹ lakhs	Balance Sheet (Note 11+12)	8,933.72	8,690.72
I	Debt	₹ lakhs	Balance Sheet (Note 14)	-	0.62
J	Principal repayments	₹ lakhs	Balance Sheet (part of Note 15)	0.62	169.27
K	Capital employed	₹ lakhs	H + I + deferred tax liability (Note 29.4) - capital work-in-progress (Note 2)	9,016.11	8,775.05
L	Net sales	₹ lakhs	Statement of Profit and Loss (Note 19)	3,133.43	3,916.05
M	Finance cost	₹ lakhs	Statement of Profit and Loss (Note 26)	57.74	87.98
N	Depreciation	₹ lakhs	Statement of Profit and Loss (Note 27)	164.41	159.00
O	Profit before tax	₹ lakhs	Statement of Profit and Loss	345.18	136.55
P	Total comprehensive income	₹ lakhs	Statement of Profit and Loss	243.00	75.80
Q	Net operating income	₹ lakhs	M + N + P	465.15	322.78
R	Total operating purchase	₹ lakhs	Purchase of raw material (Note 21) + other expenses (Note 28) + repair and maintenance (Note 24)	2,170.17	3,289.70

Note 29.14 Capital management

The primary objective of capital management is to maximise shareholder value, safeguard business continuity and support the growth of the Company. It determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through equity and operating cash flows generated. The Company is not subject to any externally imposed capital requirements (refer Note 29.13 (b) for debt- equity ratio).

Note 29.15 Other statutory information (required by schedule III to the Companies Act, 2013)

a) The Company has not entered into any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in tax assessments under the Income tax Act, 1961.

b) The Company has complied with the number of layers prescribed under Clause (87) of Section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

c) The Company is not declared wilful defaulter by any bank or financial institution or other lender.

d) The Company has not traded or invested in crypto currency or virtual currency during the financial year.

e) The Company has not revalued its property, plant and equipment (including Right-of-use assets) or intangible assets or both during the year.

f) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made there under.

g) No loans or advances in the nature of loans are granted to promoters, directors, key managerial personnel and the related parties (as defined under the Companies Act, 2013) either severally or jointly with any other person.

h) The Company does not have any charges or satisfaction of charges which is yet to be registered with Registrar of Companies beyond the statutory period.

i) There were no loans, advances and investments made in intermediary company.

Note 29.16 Relationship with struck off companies

There were no transactions or balances with struck off companies.

Note 29.17 Audit trail

As per the requirements of Rule 3(1) of the Companies (Accounts) Rules 2014, the Company uses only such accounting software for maintaining its books of account that have a feature of, recording audit trail of each and every transaction creating an edit log of each change made in the books of account along with the date when such changes were made and who made those changes within such accounting software. This feature of recording audit trail has operated throughout the year and was not tampered with during the year.

In respect of aforesaid accounting software, after thorough testing and validation, audit trail was not enabled for direct data changes at database level in view of the possible impact on the efficiency of the system. In respect of audit trail at database level, the Company has established and maintained an adequate internal control framework over its financial reporting and based on its assessment, has concluded that the internal controls for the year ended March 31, 2024 were effective. The Company is in the process of system upgradation to meet the database level audit trail requirement.

Note 29.18 Foreign currency exposure

There was no foreign currency exposure as on March 31, 2024.

Note 29.19 Rounding off

Figure less than ₹ 500 have been shown as '0.00' in the relevant notes in these Standalone Financial Statement.

Note 29.20 Authorisation for issue of the Standalone Financial Statements
The Standalone Financial Statements were authorised for issue by the Board of Directors on April 19, 2024.

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board of Directors

Ketan Vora
Partner

Yogesh Vyas
Chief Financial Officer

Sunil Lalbhai
Chairman
(DIN:00045590)

Ankit Mankodi
Company Secretary

Rajeev Kumar
Managing Director
(DIN:07731459)

Mumbai
April 19, 2024

Mumbai
April 19, 2024

Amal Ltd
Consolidated Balance Sheet as at March 31, 2024

(₹ lakhs)

Particulars	Note	As at March 31, 2024	As at March 31, 2023
A ASSETS			
1. Non-current assets			
a) Property, plant and equipment	2	8,612.24	9,026.32
b) Capital work-in-progress	2	67.80	83.70
c) Intangible assets	3	32.61	-
d) Financial assets			
i) Investments	4.1	42.77	42.77
ii) Other financial assets	5	94.57	94.57
e) Other non-current assets	6	31.05	448.54
f) Income tax assets (net)	28.4	38.90	36.02
g) Deferred tax asset	28.4	1.27	1.27
Total non-current assets		**8,921.21**	**9,733.19**
2. Current assets			
a) Inventories	7	348.29	343.83
b) Financial assets			
i) Investments	4.2	30.02	-
ii) Trade receivables	8	543.95	421.38
iii) Cash and cash equivalents	9	88.08	286.34
iv) Other financial assets	5	-	49.94
c) Other current assets	6	710.24	997.85
d) Asset held for sale		-	1.53
Total current assets		**1,720.58**	**2,100.87**
Total assets		**10,641.79**	**11,834.06**
B EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	10	1,236.27	1,236.27
b) Other equity	11	5,753.05	5,601.58
Total equity		**6,989.32**	**6,837.85**
Liabilities			
1. Non-current liabilities			
a) Financial liabilities			
Borrowings	12	1,850.00	2,439.99
b) Provisions	13	15.08	13.61
c) Deferred tax liabilities (net)	28.4	55.77	47.07
Total non-current liabilities		**1,920.85**	**2,500.67**
2. Current liabilities			
a) Financial liabilities			
i) Borrowings	12	521.41	1,038.62
ii) Trade payables			
Total outstanding dues of			
a) Micro-enterprises and small enterprises	14	90.09	19.74
b) Creditors other than micro-enterprises and small enterprises	14	353.58	381.17
iii) Other financial liabilities	15	260.77	584.80
b) Contract liabilities	16	6.66	31.88
c) Other current liabilities	17	50.83	50.73
d) Provisions	13	446.11	388.60
e) Current tax liabilities (net)	28.4	2.17	-
Total current liabilities		**1,731.62**	**2,495.54**
Total liabilities		**3,652.47**	**4,996.21**
Total equity and liabilities		**10,641.79**	**11,834.06**

The accompanying Notes 1-28 form an integral part of the Consolidated Financial Statements.

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board of Directors

Ketan Vora
Partner

Yogesh Vyas
Chief Financial Officer

Sunil Lalbhai
Chairman
(DIN:00045590)

Ankit Mankodi
Company Secretary

Rajeev Kumar
Managing Director
(DIN:07731459)

Mumbai
April 19, 2024

Mumbai
April 19, 2024

Amal Ltd

Consolidated Statement of Profit and Loss

for the year ended March 31, 2024

(₹ lakhs)

Particulars	Note	2023-24	2022-23
INCOME			
Revenue from operations	18	8,609.38	6,131.58
Other income	19	17.13	83.21
Total income		**8,626.51**	**6,214.79**
EXPENSES			
Cost of materials consumed	20	4,487.72	4,753.93
Changes in inventories of finished goods	21	38.08	(12.14)
Power, fuel and water	22	832.78	766.87
Repairs and maintenance	23	529.93	280.41
Employee benefit expenses	24	501.60	342.76
Finance costs	25	372.73	422.31
Depreciation and amortisation expenses	26	903.35	669.58
Other expenses	27	682.62	559.77
Total expenses		**8,348.81**	**7,783.49**
Profit | (loss) before tax		**277.70**	**(1,568.70)**
Tax expense			
Current tax	28.4	98.53	60.84
Deferred tax	28.4	8.71	(19.04)
Total tax expense		**107.24**	**41.80**
Profit | (loss) for the year		**170.46**	**(1,610.50)**
Other comprehensive income			
Items that will not be reclassified to profit | (loss)			
Remeasurement gain | (loss) on defined benefit plans (net of taxes)		(0.29)	2.89
Other comprehensive income | (expense), net of tax		**(0.29)**	**2.89**
Total comprehensive income | (expense) for the year		**170.17**	**(1,607.61)**
Earnings per equity share of ₹ 10 each			
Basic earnings (₹)	28.9	1.23	(17.05)
Diluted earnings (₹)	28.9	1.23	(17.05)

The accompanying Notes 1-28 form an integral part of the Consolidated Financial Statements.

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board of Directors

Ketan Vora
Partner

Yogesh Vyas
Chief Financial Officer

Sunil Lalbhai
Chairman
(DIN:00045590)

Ankit Mankodi
Company Secretary

Rajeev Kumar
Managing Director
(DIN:07731459)

Mumbai
April 19, 2024

Mumbai
April 19, 2024

Amal Ltd
Consolidated Statement of changes in equity
for the year ended March 31, 2024

A Equity share capital

(₹ lakhs)

Particulars	Note	Amount
As at March 31, 2022		942.50
Changes in equity share capital during the year		293.77
As at March 31, 2023		1,236.27
Changes in equity share capital during the year		-
As at March 31, 2024	10	1,236.27

B Other equity

(₹ lakhs)

Particulars	Reserves and surplus			Total other equity
	Securities premium	Retained earnings	Other equity (capital contributions from Atul Ltd)	
As at March 31, 2022	876.88	68.59	1,646.57	2,592.04
Loss for the year	-	(1,610.50)	-	(1,610.50)
Addition during the year	4,700.27	-	-	4,700.27
Share issue expenses, net of tax	(83.12)	-	-	(83.12)
Other comprehensive income, net of tax	-	2.89	-	2.89
As at March 31, 2023	5,494.03	(1,539.02)	1,646.57	5,601.58
Profit for the year	-	170.46	-	170.46
Share issue expenses (refer Note 10 b)	-	(18.70)	-	(18.70)
Other comprehensive income | (expense), net of tax	-	(0.29)	-	(0.29)
As at March 31, 2024	5,494.03	(1,387.55)	1,646.57	5,753.05

The accompanying Notes 1-28 form an integral part of the Consolidated Financial Statements.

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board of Directors

Ketan Vora
Partner

Yogesh Vyas
Chief Financial Officer

Sunil Lalbhai
Chairman
(DIN:00045590)

Ankit Mankodi
Company Secretary

Rajeev Kumar
Managing Director
(DIN:07731459)

Mumbai
April 19, 2024

Mumbai
April 19, 2024

Amal Ltd
Consolidated Statement of Cash Flows
for the year ended March 31, 2024

(₹ lakhs)

	Particulars		2023-24	2022-23
A	CASH FLOW FROM OPERATING ACTIVITIES			
	Profit | (loss) before tax		277.70	(1,568.70)
	Adjustments for:			
	Depreciation and amortisation expenses		903.35	669.58
	Finance costs		372.73	422.31
	Interest income from financial assets measured at amortiased cost		(0.39)	(0.05)
	Income from investments in mutual funds measured at FVTPL (net)		(9.39)	-
	Unrealised (gain) | loss from investments in mutual funds measured at FVPL		(0.02)	-
	Dividend income		(0.53)	(0.53)
	Credit balance appropriated		(1.92)	(79.19)
	Gain on disposal of asset held for sale		(4.25)	(2.33)
	Operating profit | (loss) before change in operating assets and liabilities		**1,537.28**	**(558.91)**
	Adjustments for:			
	(Increase) | Decrease in inventories		(4.46)	(87.63)
	(Increase) | Decrease in non-current and current assets		629.11	(568.72)
	Increase | (Decrease) in non-current and current liabilities		53.73	253.99
	Cash used in operations		**2,215.66**	**(961.27)**
	Income tax paid		(99.25)	(81.07)
	Net cash generated from | (used in) operating activities	A	**2,116.41**	**(1,042.34)**
B	CASH FLOW FROM INVESTING ACTIVITIES			
	Payments towards property, plant and equipment (including capital advances)		(811.64)	(1,603.61)
	Purchase of intangible assets		(47.60)	-
	Proceeds from asset held for sale		5.78	-
	Sale | (purchase) of current investments measured at FVTPL (net)		(20.61)	-
	Dividend received		0.53	0.53
	Interest received on financial assets measured at amortised cost		0.39	0.05
	Net cash used in investing activities	B	**(873.15)**	**(1,603.03)**
C	CASH FLOW FROM FINANCING ACTIVITIES			
	Disbursements | (repayment) of loans		(1,107.20)	(1,454.34)
	Proceeds from right issue of equity shares (net of expenses)		-	4,937.17
	Share issue expenses		(18.70)	(26.25)
	Repayment of preference share liabilities		-	(200.00)
	Interest paid		(315.62)	(337.43)
	Net cash generated from | (used in) financing activities	C	**(1,441.52)**	**2,919.15**
	Net increase | (decrease) in cash and cash equivalents	A+B+C	**(198.26)**	**273.78**
	Cash and cash equivalents at the beginning of the year		**286.34**	**12.56**
	Cash and cash equivalents at the end of the year (refer Note 9)		**88.08**	**286.34**

i) The above Consolidated Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in the Ind AS 7 on Statement of Cash Flows as notified under Companies (Indian Accounting Standards) Rules, 2015 as amended.

ii) Reconciliation of changes in liabilities arising from financing activities

Particulars	2023-24	2022-23
Borrowing at the beginning of the year	3,478.61	5,105.32
(Repayment) | Disbursement	(1,107.20)	(1,626.71)
Interest expense on loan	315.20	365.06
Interest paid on loan	(315.20)	(365.06)
Borrowing as at the end of the year	2,371.41	3,478.61

The accompanying Notes 1-28 form an integral part of the Consolidated Financial Statements.

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board of Directors

Ketan Vora
Partner

Yogesh Vyas
Chief Financial Officer

Sunil Lalbhai
Chairman
(DIN:00045590)

Ankit Mankodi
Company Secretary

Rajeev Kumar
Managing Director
(DIN:07731459)

Mumbai
April 19, 2024

Mumbai
April 19, 2024

Background

Amal Speciality Chemicals Ltd (the Company) is a public company limited by shares, incorporated and domiciled in India. The Company is a subsidiary of Amal Ltd. Its registered office is located at O-16 east site offices, Atul, Valsad, Gujarat 396020, India and its principal place of business is located at Ankleshwar 393 002, Gujarat, India.

The Company has been incorporated for manufacturing of bulk chemicals such as Sulphuric acid and Oleum and their downstream products.

Note 1 Material accounting policies

This Note provides a list of the material accounting policies adopted by the Company in preparation of these Financial Statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

a) Statement of compliance

The Financial Statements comply in all material respects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act, as amended.

b) Basis of preparation

i) Historical cost convention:

The Financial Statements have been prepared on a historical cost basis except for the following:

a) Certain financial assets and liabilities (including derivative instruments): measured at fair value

b) Defined benefit plans: plan assets measured at fair value

ii) The Financial Statements have been prepared on accrual and going concern basis.

iii) The accounting policies are applied consistently to all the periods presented in the Financial Statements. All assets and liabilities have been classified as current or non-current as per the normal operating cycle of the Company and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

iv) Recent accounting pronouncements:

The Ministry of Corporate Affairs (MCA) notifies new standards or amendments to the existing standards. There is no such notification which will be applicable from April 01, 2024.

c) Foreign currency transactions

i) Functional and presentation currency:

Items included in the Financial Statements of the Company are measured using the currency of the primary economic environment in which the Company operates (functional currency). The Financial Statements of the Company are presented in Indian currency (₹), which is also the functional currency of the Company.

ii) Transactions and balances:

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gain | (loss) resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the Statement of Profit and Loss, except that they are deferred in other equity if they relate to qualifying cash flow hedges. Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Statement of Profit and Loss, within finance costs. All other foreign exchange gain | (loss) are presented in the Statement of Profit and Loss on a net basis within other income.

Non-monetary items that are measured at fair value that are denominated in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain | (loss). Non-monetary items that are measured in terms of historical cost in a foreign currency are not revalued.

d) Revenue recognition

i) Revenue from operations:

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 a specific location of the customer or when the goods are handed over to the freight carrier, as per the terms of the contract. A receivable is recognised by the Company when the goods are delivered to the customer as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due.

Revenue recognition (continued)

Revenue is measured based on the consideration to which the Company expects to be entitled as per contract with a customer. The consideration is determined based on the transaction price specified in the contract, net of the estimated variable consideration. Accumulated experience is used to estimate and provide for the variable consideration, using the expected value method and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. Contracts with customers are for short-term, at an agreed price basis having contracted credit period ranging up to 90 days. The contracts do not grant any rights of return to the customer. Returns of goods are accepted by the Company only on an exception basis. Revenue excludes any taxes or duties collected on behalf of government that are levied on sales such as goods and service tax.

ii) Other income

Interest income from financial assets is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options), but does not consider the expected credit losses.

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established; it is probable that the economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.

e) Income tax

Income tax expense comprises current tax and deferred tax. Current tax is the tax payable on the taxable income of the current period based on the applicable income tax rates. Deferred income tax is recognised using the Balance Sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. The Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate, on the basis of amounts expected to be paid to the tax authorities.

The Company has adopted option available under Section 115 BAB of the Income Tax Act, 1961, hence Minimum Alternate Tax (MAT) is not applicable to the Company.

Deferred income tax is provided in full, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit | (loss) nor taxable profit | (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The Company considers reversals of deferred income tax liabilities, projected future taxable income and tax planning strategies in making the assessment of deferred tax liabilities and realisability of deferred tax assets. 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, the Management believes that the Company will realise the benefits of those deductible differences.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity respectively.

The Company considered whether it has any uncertain tax positions based on past experience pertaining to income taxes, including those related to transfer pricing as per Appendix C to Ind AS 12. The Company has determined its tax position based on tax compliance and present judicial pronouncements and accordingly expects that its tax treatments will be accepted by the taxation authorities.

The Company determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments and uses the approach that better predicts the resolution of the uncertainty. The Company applies significant judgement in identifying uncertainties over income tax treatments.

f) Government grants

i) Government grants are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all the attached conditions.

ii) Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss in proportion to depreciation over the expected lives of the related assets and presented within other income.

iii) Government grants relating to income are deferred and recognised in the Standalone Statement of Profit and Loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

g) Leases

As a lessee

The Company assesses whether a contract is, or contains a lease, at inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: i) the contract involves the use of an identified asset, ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and iii) the Company has the right to direct the use of the asset.

At the commencement date of the lease, the Company recognises a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for short-term leases (leases with a term of twelve months or less), leases of low value assets and, for contract where the lessee and lessor has the right to terminate a lease without permission from the other party with no more than an insignificant penalty. The lease expense of such short-term leases, low value assets leases and cancellable leases, are recognised as an operating expense on a straight-line basis over the term of the lease.

At commencement date, lease liability is measured at the present value of the lease payments to be paid during non-cancellable period of the contract, discounted using the incremental borrowing rate. The right-of-use assets is initially recognised at the amount of the initial measurement of the corresponding lease liability, lease payments made at or before commencement date less any lease incentives received and any initial direct costs.

Subsequently, the right-of-use asset is measured at cost less accumulated depreciation and any impairment losses. Lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using effective interest rate method) and reducing the carrying amount to reflect the lease payments made. The right-of-use asset and lease liability are also adjusted to reflect any lease modifications or revised in-substance fixed lease payments.

As a lessor

Leases for which the Company is a lessor are classified as finance or operating leases. Whenever the terms of the lease substantially transfer all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Income from operating leases where the Company is a lessor is recognised as income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the Balance sheet based on their nature. Leases of property, plant and equipment where the Company as a lessor has substantially transferred all the risks and rewards are classified as finance lease. Finance leases are capitalised at the inception of the lease at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rent receivables, net of interest income, are included in other financial assets. Each lease receipt is allocated between the asset and interest income. The interest income is recognised in the Statement of Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the asset for each period.

Under combined lease agreements, land and building are assessed individually.

h) Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Acquisition cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases 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 Company and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the Standalone Statement of Profit and Loss during the period in which they are incurred.

Property, plant and equipment (continued)

Spare parts, stand-by equipment and servicing equipment are recognised as property, plant and equipment if they are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes and are expected to be used during more than one period.

An item of Property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of an item of PPE is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in the Standalone Statment of Profit

Depreciation methods, estimated useful lives and residual value

The charge in respect of periodic depreciation is derived after determining an estimate of expected useful life and the expected residual value of the assets at the end of its useful life. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their lives.

Depreciation is provided on a pro-rata basis on the straight-line method from the date of acquisition | installation till the date the assets are sold or disposed.

Asset category	Estimated useful life
Buildings	5 to 60 years
Plant and equipment	3 to 20 years
Vehicles	6 to 10 years
Office equipment and furniture	3 to 10 years

Right-of-use are depreciated over their expected useful lives on the same basis as own assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

i) Capital work-in-progress

The cost of Property, plant and equipment under construction at the reporting date is disclosed as 'Capital work-in-progress.' The cost comprises purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Advances paid for the

j) Intangible assets

Computer software includes enterprise resource planning application and other costs relating to such software that provide significant future economic benefits. These costs comprise license fees and cost of system integration services.

Development expenditure qualifying as an intangible asset, if any, is capitalised, to be amortised over the economic life of the product |

Computer software cost is amortised over a period of three years using the straight-line method.

k) Impairment

The carrying amount of assets are reviewed at each Balance Sheet date to assess if there is any indication of impairment based on internal | external factors. An impairment loss on such assessment is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount of the assets is net selling price or value in use, whichever is higher. While assessing value in use, the estimated future cash flows are discounted to the present value by using weighted average cost of capital. A previously recognised impairment loss is further provided or reversed depending on changes in the circumstances and to the extent that carrying amount of the assets does not exceed the carrying amount that will be determined if no impairment loss had previously been recognised.

l) Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits with bank and other short-term (three months or less from the date of acquisition), highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

m) Statement of cash flows

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash generated from | (used) in operating, investing and financing activities of the Company are

n) Trade receivables

Trade receivables are recognised at the amount of transaction price (net of variable consideration) when the right to consideration becomes unconditional. These assets are held at amortised cost, using the effective interest rate (EIR) method where applicable, less provision for impairment based on expected credit loss. Trade receivables overdue more than 180 days are considered in which there is significant increase in credit risk.

o) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months from the reporting date. They are recognised initially at their fair value and subsequently measured at amortised cost using the EIR method.

p) Inventories

Inventories are stated at cost or net realisable value, whichever is lower. Cost is determined on periodic moving weighted average basis.

Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to

Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventory to the present location and

Due allowances are made for slow | non-moving, defective and obsolete inventories based on estimates made by the Company.

Items such as spare parts, stand-by equipment and servicing equipment that are not plant and machinery get classified as inventory.

q) Investments and other financial assets

Classification and measurement:

The Company classifies its financial assets in the following measurement categories:

i) those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss)

ii) those measured at amortised cost

The classification depends on business model of the Company for managing financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

Debt instruments

Initial recognition and measurement

Financial asset is recognised when the Company becomes a party to the contractual provisions of the instrument. Financial asset is recognised initially at fair value plus, in the case of financial asset is not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial asset carried at fair value through profit or loss are expensed in the Statement of Profit and Loss.

Subsequent measurement

After initial recognition, financial asset is measured at:

i) Fair value (either through FVTOCI or through FVTPL) or,

ii) Amortised cost

Subsequent measurement of debt instruments depends on the business model of the Company for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

Measured at amortised cost:

Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the EIR method less impairment, if any, the amortisation of EIR and loss arising from impairment, if any is recognised in the Statement of Profit and Loss.

Measured at fair value through other comprehensive income (FVTOCI):

q) Investments and other financial assets (continued)

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognised in the OCI. Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain | (loss) previously recognised in OCI is reclassified from the equity to other income in the Statement of Profit and Loss.

Measured at fair value through profit or loss(FVTPL):

A financial asset not classified as either amortised cost or FVTOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as other income in the Statement of Profit and Loss.

Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its financial assets carried at amortised cost and FVTOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade and lease receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of such receivables. The Company computes expected lifetime losses based on a provision matrix, which takes into account historical credit loss experience and adjusted for forward-looking

Derecognition

A financial asset is derecognised only when the Company has transferred the rights to receive cash flows from the financial asset, the asset expires or the Company retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised through the Statement of Profit and Loss or other comprehensive income as applicable. Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the Company has neither transferred a financial asset nor retained substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Financial liabilities

i) Classification as debt or equity:

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

ii) Initial recognition and measurement:

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the fair value.

iii) Subsequent measurement:

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

iv) Derecognition:

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expired.

r) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the assets and settle the liabilities

s) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the EIR method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. If not, the fee is deferred until the draw down occurs.

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income | (expense).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

t) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

u) Provisions and contingent liabilities

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. These are reviewed at each year end and reflect the best current estimate. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

v) Employee benefits

Defined benefit plan

Gratuity:

Gratuity liability is a defined benefit obligation and is computed on the basis of an actuarial valuation by an actuary appointed for the purpose as per projected unit credit method at the end of each financial year. The liability or asset recognised in the Balance Sheet in respect of defined benefit gratuity plan, is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The liability so provided is represented by creation of separate fund and is used to meet the liability as and when it become due for payment in future. Any shortfall in the value of assets over the defined benefit obligation is recognised as a liability with a corresponding charge to the Statement of Profit and Loss.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows with reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related

The net interest cost is calculated by applying the discount rate at the beginning of the period to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur directly in other comprehensive income. They are included in retained earnings in the Statement of changes in equity and in the Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

v) Employee benefits (continued)

Defined contribution plan

Contributions to defined contribution schemes such as contribution to provident fund, superannuation fund, employees' state insurance corporation, national pension scheme and labour welfare fund are charged as an expense to Statement of Profit and Loss based on the amount of contribution required to be made as and when services are rendered by the employees. The above benefits are classified as defined contribution schemes as the Company has no further defined obligations beyond the monthly contributions.

Short-term employee benefits

All employee benefits payable within 12 months of service such as salaries, wages, bonus, ex-gratia, medical benefits, etc, are recognised in the year in which the employees render the related service and are presented as current employee benefit obligations. Termination benefits are recognised as an expense as and when incurred.

Short-term employee benefits are provided at undiscounted amount during the accounting period based on service rendered by employees.

Other long-term employee benefits

The liabilities for earned leave is not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

w) Earnings per share

Earnings per share (EPS) is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the EPS is the net profit for the period and any attributable tax thereto for the period.

For the purpose of calculating diluted EPS, the net profit for the period attributable to equity shareholders and the weighted average number of equity shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Critical estimates and judgements

Preparation of the Standalone Financial Statements require use of accounting estimates, judgements and assumptions, which by definition, will seldom equal the actual results. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the Standalone Financial Statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the Standalone Financial Statements. This Note provides an overview of the areas that involve a higher degree of judgements or complexity and of items that are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the Standalone Financial

The areas involving critical estimates or judgements are:

i) Fair value measurements: Note 28.5
ii) Lease: Note 28.9
iii) Estimation of income tax: Note 28.3
iv) Impairment: Note 1 (k)

Notes to the Consolidated Financial Statements

Note 2 Property, plant and equipment and capital work-in-progress[4]

(₹ lakhs)

Particulars	Land - freehold	Leasehold land[1,]	Buildings[2]	Plant and equipment[2]	Vehicles	Office equipment	Furniture and fixtures	Total	Capital work-in-progress[3]
Gross carrying amount									
As at March 31, 2022	**3.34**	**28.85**	**59.05**	**1,789.15**	**0.00**	**20.94**	**10.04**	**1,911.37**	**6,650.35**
Additions	-	-	53.51	8,184.85	7.00	6.47	1.40	8,253.23	1,686.58
Disposals and transfers	-	-	-	(1.98)	-	-	-	(1.98)	(8,253.23)
As at March 31, 2023	**3.34**	**28.85**	**112.56**	**9,972.02**	**7.00**	**27.41**	**11.44**	**10,162.62**	**83.70**
Additions	-	-	9.07	460.74	-	4.47	-	474.28	458.38
Disposals and transfers	-	-	-	-	-	-	-	-	(474.28)
As at March 31, 2024	**3.34**	**28.85**	**121.63**	**10,432.76**	**7.00**	**31.88**	**11.44**	**10,636.90**	**67.80**
Depreciation | Amortisation									
Up to March 31, 2022	**-**	**3.21**	**19.24**	**426.99**	**-**	**15.05**	**4.11**	**468.60**	**-**
For the year	-	0.46	4.76	658.69	1.02	3.57	1.08	669.58	-
Disposals and transfers	-	-	-	(1.88)	-	-	-	(1.88)	-
Up to March 31, 2023	**-**	**3.67**	**24.00**	**1,083.80**	**1.02**	**18.62**	**5.19**	**1,136.30**	**-**
For the year	-	0.46	5.00	877.70	1.11	2.91	1.18	888.36	-
Disposals and transfers	-	-	-	-	-	-	-	-	-
Up to March 31, 2024	**-**	**4.13**	**29.00**	**1,961.50**	**2.13**	**21.53**	**6.37**	**2,024.66**	**-**
Net carrying amount									
As at March 31, 2023	3.34	25.18	88.56	8,888.22	5.98	8.79	6.25	9,026.32	83.70
As at March 31, 2024	**3.34**	**24.72**	**92.63**	**8,471.26**	**4.87**	**10.35**	**5.07**	**8,612.24**	**67.80**

Notes:

[1]The lease term in respect of leasehold land is 99 years. The lease term in respect of land acquired under finance lease is up to 99 years with ability to opt for renewal of the lease term on fulfilment of certain conditions.

[2]Includes assets retired from active use.

[3]Capital work-in-progress mainly comprises addition | expansion projects in progress.

[4]Certain assets of the group are pledged as security to Axis Bank Ltd.

Refer Note 28.2 for disclosure of contractual commitment for acquisition of property, plant and equipment.

Capital-work-in progress ageing

(₹ lakhs)

Particulars	March 31, 2024					March 31, 2023				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	67.80	-	-	-	67.80	83.70	-	-	-	83.70
Projects temporarily suspended	-	-	-	-	-	-	-	-	-	-

There are no projects over run during the year.

(₹ lakhs)

Note 3 Intangible assets	Computer software
Gross carrying amount	
As at March 31, 2023	-
Addition	47.60
As at March 31, 2024	47.60
Amortisation	
As at March 31, 2023	-
Amortisation charged for the year	14.99
As at March 31, 2024	14.99
Net carrying amount	
As at March 31, 2023	-
As at March 31, 2024	32.61

(₹ lakhs)

Note 4.1 Other investments	Face value (₹)	As at March 31, 2024		As at March 31, 2023	
		Number of shares	Amount (₹ lakhs)	Number of shares	Amount (₹ lakhs)
Investment in equity instruments measured at FVPL (fully paid-up)					
Unquoted					
Aakar Performance Plastics Pvt Ltd	10	880	-	880	-
Valmiki Poly Products Ltd	10	40,000	-	40,000	-
Zoroastrian Co-operative Bank Ltd	25	4,000	-	4,000	-
BEIL Infrastructure Ltd	10	21,000	2.10	21,000	2.10
Narmada Clean Tech	10	4,06,686	40.67	4,06,686	40.67
Total other investments (A)			42.77		42.77

(₹ lakhs)

Note 4.2 Current investment	As at March 31, 2024		As at March 31, 2023	
	Number of units	Amount (₹ lakhs)	Number of units	Amount (₹ lakhs)
Investment in mutual funds measured at FVTPL				
Unquoted				
Investment in mutual funds measured at FVTPL	687	30.02	-	-
Total current investment (B)		30.02		-
Aggregate amount of unquoted investments (A+B)		72.79		42.77

(₹ lakhs)

Note 5 Other financial assets		As at March 31, 2024		As at March 31, 2023	
		Current	Non-current	Current	Non-current
a)	Security deposits for utilities and premises	-	94.57	49.94	94.57
		-	94.57	49.94	94.57

(₹ lakhs)

Note 6 Other assets		As at March 31, 2024		As at March 31, 2023	
		Current	Non-current	Current	Non-current
a)	Capital advances	-	-	3.06	-
b)	Advances other than capital advance:				
	i) Advances for goods and services	32.64	-	71.01	-
c)	Prepaid				
	i) Gratuity	2.54	-	6.86	-
	ii) Others (including discount receivable and prepaid expenses)	89.44	31.05	86.86	46.91
d)	Balance with government authorities (GST receivable)	585.62	-	830.06	401.63
		710.24	31.05	997.85	448.54

(₹ lakhs)

Note 7 Inventories		As at March 31, 2024	As at March 31, 2023
a)	Raw materials	117.65	162.24
	Add: Goods-in-transit	48.50	11.51
		166.15	173.75
b)	Finished goods	15.68	53.76
c)	Stores, spares and fuel	166.46	116.32
		348.29	343.83

Notes:

Refer Note 12 (i) for information on inventories have been offered as security against the working capital facilities provided by the bank.

Valued at cost or net realisable value, whichever is lower.

(₹ lakhs)

Note 8 Trade receivables	As at March 31, 2024	As at March 31, 2023
Considered good - unsecured		
i) Related party (refer Note 28.3)	268.05	42.25
ii) Others	275.90	379.13
	543.95	421.38

Notes:

Refer Note 12 (i) for information on trade receivables have been offered as security against the working capital facilities provided by the bank.

Trade receivables consists of few customers, majorly from the related party, for which ongoing credit evaluation is performed on the financial condition of the account receivables, historical experience of collecting receivables, subsequent realisations and orders in hand.

Based on evaluation, allowance for doubtful debts recognised in the Consolidated Statement of Profit and Loss is Nil (March 31, 2023 Nil).

Trade receivable ageing

(₹ lakhs)

No.	Particulars	As at March 31, 2024						
		Not due	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	Total
1.	Undisputed trade receivables: considered good	527.26	16.35	0.34	-	-	-	543.95

(₹ lakhs)

No.	Particulars	As at March 31, 2023						
		Not due	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	Total
1.	Undisputed trade receivables: considered good	421.38	-	-	-	-	-	421.38

(₹ lakhs)

Note 9 Cash and cash equivalents		As at March 31, 2024	As at March 31, 2023
a)	Balances with banks		
	In current accounts	51.82	55.94
	In fixed deposit with original maturity less than three months	35.87	230.21
b)	Cash on hand	0.39	0.19
		88.08	286.34

(₹ lakhs)

Note 10 Equity share capital		As at March 31, 2024		As at March 31, 2023	
a)	Authorised				
	Equity shares of ₹ 10 each	1,50,00,000	1,500.00	1,50,00,000	1,500.00
			1,500.00		1,500.00
b)	Issued and subscribed				
	Equity shares of ₹ 10 each, fully paid	1,23,62,662	1,236.27	1,23,62,662	1,236.27
			1,236.27		1,236.27

a) Rights, preferences and restrictions:

The Group has one class of shares referred to as equity shares having a par value of ₹ 10 each.

i) Equity shares:

In the event of liquidation of the Group, the holders of equity shares will be entitled to receive the remaining assets of the Group, after distribution of all preferential amounts and preference shares. The distribution will be in proportion to the number of equity shares held by the shareholders. Each holder of equity shares is entitled to one vote per share.

ii) Dividend:

The dividend proposed by the Board, if any is subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

b) Issue of shares under right issue:

On December 14, 2022, the Board of Directors of the Company approved the rights issue of equity shares. Subsequently the Right Issue Committee approved the rights issue of 29,37,662 equity shares of face value of ₹ 10 each at a price of ₹ 170 per share (including security premium of ₹ 160) in the ratio of 24:77, i.e. 24 new shares for 77 existing equity shares held by the eligible shareholders on record date, i.e. February 21, 2023. On March 23, 2023 the Committee has approved the allotment of 29,37,662 equity shares of face value of ₹ 10 each to the eligible shareholders. The entire proceeds received from the rights Issue during financial year 2022-23 amounting to ₹ 4994.03 lakhs were used for the objects stated in the offer document of the rights issue.

Note 10 Equity share capital (continued)

c) Details of shareholders holding more than 5% of equity shares:

No.	Name of the shareholder	As at March 31, 2024		As at March 31, 2023	
		Holding %	Number of shares	Holding %	Number of shares
1.	Atul Finserv Ltd	48.48%	59,92,874	48.48%	59,92,874
2.	Aagam Holdings Pvt Ltd	16.01%	19,79,339	16.01%	19,79,339
3.	Atul Ltd (holding company)	1.38%	1,70,130	1.38%	1,70,130

d) Reconciliation of the number of shares outstanding and the amount of equity share capital:

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of shares	₹ lakhs	Number of shares	₹ lakhs
Balance as at the beginning of the year	1,23,62,662	1,236.27	94,25,000	942.50
Add: Issue of fully paid up shares through rights issue (refer Note 10(b))	-	-	29,37,662	293.77
Balance as at the end of the year	1,23,62,662	1,236.27	1,23,62,662	1,236.27

e) Shareholding of promoters:

No.	Promoter name	As at March 31, 2024			As at March 31, 2023		
		Number of shares	% of total shares	% Change during the year	Number of shares	% of total shares	% Change during the year
01.	Atul Finserv Ltd	59,92,874	48.48%	0.00%	59,92,874	48.48%	31.17%
02.	Aagam Holdings Pvt Ltd	19,79,339	16.01%	0.00%	19,79,339	16.01%	81.96%
03	Atul Ltd (holding company)	1,70,130	1.38%	0.00%	1,70,130	1.38%	31.17%
04.	Aayojan Resources Pvt Ltd	5,15,887	4.17%	0.00%	5,15,887	4.17%	31.17%
05.	Adhinami Investments Pvt Ltd	47,876	0.39%	0.00%	47,876	0.39%	31.17%
06.	Akshita Holdings Pvt Ltd	16,522	0.13%	0.00%	16,522	0.13%	31.17%
07.	Anusandhan Investments Pvt Ltd	9,181	0.07%	0.00%	9,181	0.07%	31.16%
08.	Aagam Agencies Pvt Ltd	35,415	0.29%	0.00%	35,415	0.29%	31.17%
09.	Sunil Siddharth Lalbhai (on behalf of Vimla Siddharth Family Trust)	27,077	0.22%	0.00%	27,077	0.22%	31.17%
10.	Vimlaben S Lalbhai	17,379	0.14%	0.00%	17,379	0.14%	31.16%
11.	Sunil Siddharth Lalbhai	4,918	0.04%	0.00%	4,918	0.04%	31.15%
12.	Swati S Lalbhai	926	0.01%	0.00%	926	0.01%	31.16%
13.	Taral S Lalbhai	655	0.01%	0.00%	655	0.01%	31.00%

f) Details of shares held by holding company

No.	Name of the shareholder	As at March 31, 2024		As at March 31, 2023	
		Holding %	Number of	Holding %	Number of
1	Atul Finserv Ltd	48.48%	59,92,874	48.48%	59,92,874
2	Atul Ltd (holding company)	1.38%	1,70,130	1.38%	1,70,130

(₹ lakhs)

Note 11 Other equity		As at March 31, 2024	As at March 31, 2023
a)	Securities premium	5,494.03	5,494.03
b)	Retained earnings	(1,387.55)	(1,539.02)
c)	Other reserves		
	i) Capital contribution from Atul Ltd	1,646.57	1,646.57
		5,753.05	**5,601.58**

Refer Consolidated Statement of changes in equity for detailed movement in other equity balance.

Nature and purpose of reserves

a) Securities premium

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

b) Retained earnings

Retained earnings are the profits that the Group has earned till date, less, any transfers to general reserve, any transfers from or to other comprehensive income, dividends or other distributions paid to shareholders.

c) Other reserve

As per Modified Sanction Scheme MS-10 and MS-13 approved by the Board of Industrial Finance and Reconstruction, the Company had issued 0% redeemable and non-convertible preference shares of ₹ 1,000 lakhs to Atul Ltd (promoter) and received interest free secured loan of ₹ 1,128.89 lakhs and interest free unsecured loan of ₹ 539.58 lakhs from Atul Ltd. These financial liabilities are measured at amortised cost and the initial fair value difference is recognised as capital contribution from Atul Ltd.

(₹ lakhs)

Note 12 Borrowings		As at March 31, 2024		As at March 31, 2023	
		Current	Non-current	Current	Non-current
a)	Term loan from Axis Bank secured	-	1,500.00	-	2,129.99
b)	Working capital loan from Axis Bank secured	421.41	-	848.62	-
c)	Rupee term loan from related party	-	450.00	-	500.00
		421.41	**1,950.00**	**848.62**	**2,629.99**
	Amount of current maturities of long-term debt disclosed under the head 'short-term	100.00	(100.00)	190.00	(190.00)
		521.41	**1,850.00**	**1,038.62**	**2,439.99**

Notes:

i) Security

a) The secured loan is secured by the whole immovable and movable properties including machinery, machinery spares, tools and accessories, inventory and other movable assets both present and future.

b) Corporate Guarantee given by Amal Ltd.

c) Quarterly statement of current assets filed with banks during the year are in agreement with the books of accounts.

ii) Effective interest rate and maturity profile of borrowings

a) Effective interest rate

	Particulars	Rate
a)	Rupee term loan from Axis Bank (secured)	9.45%
b)	Working capital loan from Axis Bank (secured)	8.30%
c)	Rupee term loan from related party	9.40%

b) Maturity profile

(₹ lakhs)

Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
Secured loan from Axis bank	-	-	1,000.00	500.00	-
Rupee term loan from related party	100.00	100.00	100.00	150.00	-

(₹ lakhs)

Note 13 Provisions		As at March 31, 2024		As at March 31, 2023	
		Current	Non-current	Current	Non-current
a)	Provision for compensated absences	2.26	15.08	1.85	13.61
b)	Others	443.85	-	386.75	-
		446.11	**15.08**	**388.60**	**13.61**

Information about individual provisions and significant estimates

a) Compensated absences:

The compensated absences cover the liability for earned leaves. Out of the total amount disclosed above, the amount of ₹ 2.26 lakhs (March 31, 2023: ₹ 1.85 lakhs) is presented as current, since the Group does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Group does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

b) Others:

Regulatory and other claims:

The Company has provided for certain regulatory and other charges for which it has received claims. The provision represents the unpaid amount that it expects to incur | pay for which the obligating event has already arisen as on the reporting date.

ii) Movements in provisions

Particulars	As at March 31, 2024	As at March 31, 2023
	Income tax	Income tax
Balance as at the beginning of the year	386.75	-
Provision made during the year	57.10	386.75
Balance as at the end of the year	443.85	386.75

(₹ lakhs)

Note 14 Trade payables		As at March 31, 2024	As at March 31, 2023
a)	Total outstanding dues of micro-enterprises and small enterprises	90.09	19.74
b)	Total outstanding dues of creditors other than micro-enterprises and small enterprises		
	i) Related party (refer Note 28.3)	18.49	80.22
	ii) Others	335.09	300.95
		353.58	**381.17**
		443.67	**400.91**

Trade payable ageing

(₹ lakhs)

No.	Particulars	As at March 31, 2024						
		Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i)	MSME	-	90.09	-	-	-	-	**90.09**
ii)	Others	209.87	55.88	80.04	5.12	2.67	-	**353.58**

No.	Particulars	As at March 31, 2023						
		Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i)	MSME	-	19.74	-	-	-	-	**19.74**
ii)	Others	148.08	91.56	137.88	3.24	0.41	-	**381.17**

(₹ lakhs)

Note 15 Other financial liabilities		As at March 31, 2024		As at March 31, 2023	
		Current	Non-current	Current	Non-current
a)	Employee benefits payable	74.74	-	39.92	-
b)	Security deposits	67.00	-	69.53	-
c)	Creditors for capital goods	119.03	-	475.35	-
		260.77	**-**	**584.80**	**-**

(₹ lakhs)

Note 16 Contract liabilities		As at March 31, 2024	As at March 31, 2023
a)	Advance received from customers	6.66	31.88
		6.66	**31.88**

(₹ lakhs)

Note 17 Other current liabilities		As at March 31, 2024	As at March 31, 2023
a)	Statutory dues	50.83	50.73
		50.83	**50.73**

(₹ lakhs)

Note 18 Revenue from operations[1]	2023-24	2022-23
Sale of products		
Sale of chemicals	6,111.12	5,140.81
Sale of steam	2,489.43	952.28
Revenue from contracts with customers	**8,600.55**	**6,093.09**
Other operating revenue:		
Scrap sales | Other revenue	8.83	20.79
Sale of services	-	17.70
	8,609.38	**6,131.58**

[1]Contracts with customers are for short-term, at an agreed price basis having contracted credit period ranging up to 90 days. These contracts are mainly for sale of chemical products and steam besides sale of scrap and other goods. The contracts do not grant for any rights to return to the customers. Return of goods are accepted by the Group only on exceptional basis.

Reconciliation of revenue from contracts with customers recognised at contract price:

(₹ lakhs)

Particulars	2023-24	2022-23
Contract price	8,643.18	6,217.67
Adjustments for:		
Consideration payable to customers - discounts[1]	(42.63)	(124.58)
Revenue from contract with customers	**8,600.55**	**6,093.09**

[1]Consideration payable to customers like discounts and price reductions offered to customers are estimated on specific identified basis and reduced from the contract price when the Group recognises revenue from the transfer of the related goods or services to the customer and the entity pays or promises to pay the consideration.

(₹ lakhs)

Note 19 Other income	2023-24	2022-23
Income from investments in mutual funds measured at FVTPL	9.41	-
Dividend income from investments measured at FVTPL	0.53	0.53
Interest from others	0.39	0.05
Interest on Fixed deposit	0.45	0.29
Gain on disposal of asset held for sale	4.25	2.33
Credit balance appropriated	1.92	79.19
Miscellaneous income	0.18	0.82
	17.13	**83.21**

(₹ lakhs)

Note 20 Cost of materials consumed	2023-24	2022-23
Raw materials consumed		
Stocks at commencement	162.24	95.97
Add: Purchase	4,443.13	4,820.20
	4,605.37	**4,916.17**
Less: Stocks at close	117.65	162.24
	4,487.72	**4,753.93**

(₹ lakhs)

Note 21 Changes in inventories of finished goods	2023-24	2022-23
Stocks at close		
Finished goods	15.68	53.76
	15.68	**53.76**
Less: Stocks at commencement		
Finished goods	53.76	41.62
	53.76	**41.62**
(Increase) | Decrease in stocks	**38.08**	**(12.14)**

(₹ lakhs)

Note 22 Power, fuel and water	2023-24	2022-23
Power, fuel and water	832.78	766.87
	832.78	766.87

(₹ lakhs)

Note 23 Repairs and maintenance	2023-24	2022-23
Consumption of stores and spares	264.20	113.34
Plant and equipment repairs	265.73	167.07
	529.93	280.41

(₹ lakhs)

Note 24 Employee benefit expenses	2023-24	2022-23
Salaries, wages and bonus (refer Note 28.5)	470.27	316.87
Contribution to provident and other funds (refer Note 28.5)	21.58	17.03
Staff welfare	9.75	8.86
	501.60	342.76

(₹ lakhs)

Note 25 Finance costs	2023-24	2022-23
Interest on redeemable and non-convertible preference shares carried at amortised cost	-	27.63
Interest on borrowings - term loan	210.95	298.34
Interest on borrowings - working capital loan	58.02	29.79
Interest on loan from related party	46.23	9.30
Other finance costs	57.53	57.25
	372.73	422.31

(₹ lakhs)

Note 26 Depreciation and amortisation expenses	2023-24	2022-23
Depreciation on propery, plant and equipment (refer Note 2)	888.36	669.58
Amortisation of intangible assets (refer Note 3)	14.99	-
	903.35	669.58

(₹ lakhs)

Note 27 Other expenses	2023-24	2022-23
Plant operation charges	64.65	67.95
Freight charges	126.11	79.84
Effluent treatment expenses	69.02	48.86
Security services	42.68	37.52
Business auxiliary services	164.55	132.95
Legal and professional expenses	40.13	28.48
Rent	3.30	3.18
Rates and taxes	11.66	19.70
Remuneration to the Statutory Auditors		
a) Audit fees	12.59	10.41
b) Tax matters	1.73	1.38
Directors' fees	10.00	9.90
Expenditure on Corporate Social Responsibility initiatives	12.05	20.85
Miscellaneous expenses	124.15	98.75
	682.62	559.77

Note 28.1 Contingent liabilities

(₹ lakhs)

Particulars		As at March 31, 2024	As at March 31, 2023
Claims against the Company not acknowledged as debts in respects of:			
i)	Sales tax	62.86	62.86
ii)	Corporate guarantee	5,100.00	5,800.00

Note 28.2 Commitments

Capital commitments

Capital expenditure contracted for at the end of the reporting period, but not recognised as liabilities, is as follows:

(₹ lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Estimated amount of contracts remaining to be executed and not provided for (net of advances):		
Property, plant and equipment	109.06	65.26

Note 28.3 Related party disclosures

Note 28.3 (A) Related party information

Name of the related party and nature of relationship

No.	Name of the related party	Description of relationship
1.	Atul Finserv Ltd	Investing company and subsidiary of holding company
2.	Atul Ltd	Holding by virtue of control
3.	Rudolf Atul Chemicals Ltd	Joint venture company of Holding Company
4.	Aagam Holdings Pvt Ltd	Entities over which Key Management Personnel or their close family members have significant influence
5.	Adhigam Investment Pvt Ltd	
6.	Aayojan Resources Pvt Ltd	
7.	Atul Foundation Trust	
8.	Key Management Personnel	
	Sunil Lalbhai	Chairman
	Rajeev Kumar	Managing Director
	Gopi Kannan Thirukonda	Non-executive Director
	Sujal Shah[1]	Independent Director
	Abhay Jadeja[1]	Independent Director
	Mahalakshmi Subramanian	Independent Director
	Jyotin Mehta	Independent Director
	Dipali Sheth	Independent Director
	Drushti Desai	Independent Director
	Venkatraman Srinivasan	Independent Director
	Yogesh Vyas	Chief Financial Officer
	Ankit Mankodi	Company Secretary
9.	Close family members of Key Management Personnel	
	Vimla Lalbhai	Mother of Sunil Lalbhai
	Swati Lalbhai	Sister of Sunil Lalbhai
	Taral Lalbhai	Sister of Sunil Lalbhai

[1] Retired during the year

(₹ lakhs)

Note 28.3 (B) Transactions with related parties			2023-24	2022-23
a)	Sales and income			
	1.	Sale of goods	**3,062.68**	**2,526.82**
		Atul Ltd	3,040.71	2,526.82
		Atul Products Ltd	21.97	-
	2.	Reimbursement received	**0.50**	**0.36**
		Atul Ltd	0.50	0.36
b)	Purchases and expenses			
	1.	Purchase of goods	**51.01**	**69.38**
		Atul Ltd	51.01	69.38
	2.	Business auxiliary services	**182.20**	**142.32**
		Atul Ltd	182.20	142.32
	3.	Interest on unsecured loan	**46.23**	**9.30**
		Rudolf Atul Chemicals Ltd	46.23	9.30
	4.	EDP software expenses	**35.06**	**10.65**
		Atul Ltd	5.78	10.65
		Atul Infotech Ltd	29.28	-
	5.	Reimbursement of expenses	**0.41**	**6.46**
		Atul Ltd	0.41	6.46
	6.	Lease rent expenses	**0.01**	**0.01**
		Atul Ltd	0.01	0.01

(₹ lakhs)

c)	Other transactions			
	1.	Redemption of 0% redeemable and non-convertible preference shares	**-**	**200.00**
		Atul Ltd	-	200.00
	2.	Loan	**(50.00)**	**500.00**
		Rudolf Atul Chemicals Ltd	(50.00)	500.00

Note 28.3 Related party disclosures (continued)

(₹ lakhs)

Note 28.3 (C) Key Management Personnel compensation		2023-24	2022-23
Remuneration		**28.25**	**17.38**
1.	Short-term employee benefits[1]	18.25	7.48
2.	Sitting fees to Independent Directors	10.00	9.90

[1] Compensation excludes provision for gratuity and compensated absences since these are based on actuarial valuation on an overall company basis.

(₹ lakhs)

Note 28.3 (D) Transactions with entities over which Key Management Personnel or their close family members have significant influence		2023-24	2022-23
Other transactions			
1.	Expenditure on Corporate Social Responsibility initiatives	**12.05**	**20.85**
	Atul Foundation Trust	12.05	20.85

(₹ lakhs)

Note 28.3 (E) Outstanding balances		As at March 31, 2024	As at March 31, 2023
1.	Preference shares	**-**	**-**
	Atul Ltd	-	-
2.	Loan	**450.00**	**500.00**
	Rudolf Atul Chemicals Ltd	450.00	500.00
3.	Receivables	**268.05**	**42.25**
	Atul Ltd	259.03	42.25
	Atul Products Ltd	9.02	-
4.	Payables	**18.49**	**80.22**
	Atul Ltd	16.59	80.22
	Atul infotech Ltd	1.90	-

Note 28.3 (F) Terms and conditions

1. Sales to and purchases from related parties were made on normal commercial terms and conditions and at prevailing market prices or where market price is not available, at cost plus margin.
2. Transactions relating to dividends were on the same terms and conditions that applied to other shareholders.
3. All outstanding balances are unsecured and are repayable in cash and cash equivalents.

Note 28.4 Current and deferred tax

The major components of income tax expense for the years ended March 31, 2024 and March 31, 2023, are:

a) Income tax expense recognised in the Consolidated Statement of Profit and Loss

(₹ lakhs)

Particulars		2023-24	2022-23
i)	**Current tax**		
	Current tax on profit for the year	100.20	51.96
	Adjustments for current tax of prior periods	(1.67)	8.88
	Total current tax expense	**98.53**	**60.84**
ii)	**Deferred tax**		
	(Decrease) | Increase in deferred tax liabilities	8.33	(18.59)
	Decrease | (Increase) in deferred tax assets	0.38	(0.45)
	Total deferred tax expense | (benefit)	**8.71**	**(19.04)**
	Income tax expense	**107.24**	**41.80**

b) The reconciliation between the statutory income tax rate applicable to the Group and the effective income tax rate of the Group is as follows:

Particulars			2023-24	2022-23
a)	Statutory income tax rate		25.17%	25.17%
b)	Differences due to:			
	i)	Non-deductible expenses	5.07%	12.50%
	ii)	Income taxed at lower rate	(0.16)%	(0.42)%
	iii)	Tax adjustment of earlier years	(0.48%)	6.37%
	iv)	Others	8.72%	(46.28)%
	Effective income tax rate		**38.62%**	**(2.66)%**

c) Income tax assets (net)

(₹ lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening balance	36.02	(281.17)
Taxes paid in advance, net of provision during the year	2.88	20.23
Transfer to provision	-	296.96
Closing balance	**38.90**	**36.02**

d) Current tax liabilities

(₹ lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening balance	-	-
Add: Current tax payable for the year	100.20	-
Less: Taxes paid	(98.03)	-
Closing balance	**2.17**	**-**

d) **Deferred tax liabilities (net)**

The balance comprises temporary differences attributable to the below items and corresponding movement in deferred tax liabilities | (assets):

(₹ lakhs)

Deferred tax liabilities | (assets)	As at March 31, 2024	Charged | (Credited) to profit or loss | OCI | equity	As at March 31, 2023	(Charged) | Credited to profit or loss | OCI | equity	As at March 31, 2022
Property, plant and equipment	113.44	3.64	109.80	10.20	99.60
Financial liabilities at amortised cost	(0.03)	-	(0.03)	(6.95)	6.92
Others	(57.22)	4.69	(61.91)	(21.83)	(40.08)
Provision for leave encashment	(1.68)	0.38	(2.06)	(0.45)	(1.61)
Net deferred tax liabilities | (assets)	**54.50**	**8.71**	**45.80**	**(19.03)**	**64.83**

Note 28.5 Employee benefit obligations

Funded schemes

a) **Defined contribution plans:**

Gratuity

The gratuity fund is maintained with the Life Insurance Corporation of India and Bajaj Allianz Life Insurance under Group Gratuity scheme. Every employee is entitled to a benefit equivalent to the last drawn salary of 15 days for each completed year of service in line with the Payment of Gratuity Act, 1972 or the Company scheme, whichever is more beneficial. Gratuity is payable at the time of separation or retirement from the Company, whichever is earlier. The benefit vests after five years of continuous service.

(₹ lakhs)

Particulars	Present value of obligation	Fair value of plan assets	Net amount
As at March 31, 2022 liability | (asset)	**13.24**	**(16.69)**	**(3.45)**
Current service cost	4.98	-	4.98
Interest expense | (income)	0.84	(1.07)	(0.23)
Total (income) | expense recognised in Consolidated Statement of Profit and Loss	**5.82**	**(1.07)**	**4.75**
Remeasurement			
(Gain) | loss from change in financial assumptions	(1.61)	-	(1.61)
Return on plan assets, excluding amount included in interest expense	0.58	0.11	0.69
Experience (gain)	(1.97)	-	(1.97)
Total (income) | expense recognised in other comprehensive income	**(3.00)**	**0.11**	**(2.89)**
Employer contributions	(1.20)	(4.07)	(5.27)
Liability for employee transferred	-	-	-
Benefits paid	-	-	-
As at March 31, 2023 liability | (asset)	**14.86**	**(21.72)**	**(6.86)**
Current service cost	4.51	-	4.51
Interest expense | (income)	1.18	(1.59)	(0.41)
Total (income) | expense recognised in Consolidated Statement of Profit and Loss	**5.69**	**(1.59)**	**4.10**
Remeasurement			
(Gain) | loss from change in financial assumptions	0.89	-	0.89
Return on plan assets, excluding amount included in interest expense	(0.43)	(0.19)	(0.62)
Experience (gain)	0.02	-	0.02
Total (income) | expense recognised in other comprehensive income	**0.48**	**(0.19)**	**0.29**
Employer contributions	0.51	(0.57)	(0.06)
Benefits paid	-	-	-
Transfer in | out	(0.51)	0.51	-
As at March 31, 2024 liability | (asset)	**21.02**	**(23.56)**	**(2.54)**

The net liability disclosed above relates to following funded and unfunded plans:

(₹ lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Present value of funded obligations	21.02	14.86
Fair value of plan assets	(23.56)	(21.72)
(Surplus) of gratuity plan	**(2.54)**	**(6.86)**

Significant estimates: Actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Discount rate	7.19%	7.35%
Attrition rate	14.00%	13.00%
Rate of return on plan assets	7.19%	7.35%
Salary escalation rate	10.36%	9.84%
Mortality rate	Indian assured lives mortality (2012-14) urban	Indian assured lives mortality (2012-14) urban

Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	Change in assumptions		Impact on defined benefit obligation			
			Increase in assumptions		Decrease in assumptions	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Discount rate	1.00%	1.00%	(5.86%)	(5.83%)	6.57%	6.53%
Attrition rate	1.00%	1.00%	(2.10%)	(1.71%)	2.26%	1.83%
Salary escalation rate	1.00%	1.00%	6.31%	6.31%	(5.72%)	(5.76%)

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied while calculating the defined benefit liability recognised in the Consolidated Balance Sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change as compared to the previous year.

Risk exposure

Through its defined contribution plans, the Group is exposed to a number of risks, the most significant of which are detailed below:

i) **Interest rate risk**

A fall in the discount rate which is linked to the government securities rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

ii) **Salary risk**

The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan liability.

iii) **Investment risk**

The present value of the defined benefit plan liability is calculated using a discount rate, which is determined with reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities and other debt instruments.

iv) **Concentration risk**

Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

The weighted average duration of the defined benefit obligation is seven years (2022-23: seven years). The expected maturity analysis of gratuity is as follows:

(₹ lakhs)

Particulars	Less than a year	Between 1 - 2 years	Between 2 - 5 years	Over 5 years	Total
Defined benefit obligation (gratuity)					
As at March 31, 2024	1.69	1.83	6.79	28.21	38.52
As at March 31, 2023	1.32	1.42	4.69	20.67	28.10

b) **Other long-term benefits**

Leave encashment is payable to eligible employees who have earned leaves, during the employment and | or on separation as per the policy of the Group. Valuation in respect of leave encashment has been carried out by an independent actuary, as at the Balance Sheet date, based on the following assumptions:

(₹ lakhs)

Expenses recognised for the year ended on March 31, 2024 (included in Note 24)	2023-24	2022-23
Present value of unfunded obligations	**17.34**	**15.46**
- Current	2.26	1.85
- Non-current	15.08	13.61
Expense recognised in the Consolidated Statement of Profit and Loss	3.10	6.99
Discount rate	7.19%	7.35%
Salary escalation rate	10.36%	9.84%

c) **Defined contribution plans:**

Provident fund

State defined contribution plans

Employers' contribution to employees' state insurance

Employers' contribution to employees' pension scheme 1995

The provident fund and the state defined contribution plans are operated by the Regional Provident Fund Commissioner. Under the scheme, the Group is required to contribute a specified percentage of payroll cost to the retirement benefit scheme to fund the benefits. These funds are recognised by the income tax authorities. The contribution of the Group to the provident fund and other contribution plans for all employees is charged to the Consolidated Statement of Profit and Loss.

The Group has recognised the following amounts in the Consolidated Statement of Profit and Loss for the year (refer Note 23):

(₹ lakhs)

Particulars	2023-24	2022-23
Contribution to provident fund	7.67	5.99
Contribution to employees pension scheme 1995	10.30	8.21
Contribution to employees' state insurance	2.99	2.34
Contribution to employee depository linked insurance	0.62	0.49
	21.58	**17.03**

Note 28.6 Fair value measurements

Financial instruments by category

(₹ lakhs)

Particulars	As at March 31, 2024			As at March 31, 2023		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial assets						
Investments:						
Equity instruments	42.77	-	-	42.77	-	-
Mutual funds	30.02	-	-	-	-	-
Trade receivables	-	-	543.95	-	-	421.38
Security deposits for utilities and premises	-	-	94.57	-	-	144.51
Cash and bank balances	-	-	88.08	-	-	286.34
Total financial assets	**72.79**	**-**	**726.60**	**42.77**	**-**	**852.23**
Financial liabilities						
Trade payables	-	-	443.67	-	-	400.91
Borrowings	-	-	2,371.41	-	-	3,478.61
Security deposits	-	-	67.00	-	-	69.53
Employee benefits payable	-	-	74.74	-	-	39.92
Creditors for capital goods	-	-	119.03	-	-	475.35
Total financial liabilities	**-**	**-**	**3,075.85**	**-**	**-**	**4,464.32**

a) **Fair value hierarchy**

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are: a) recognised and measured at fair value and b) measured at amortised cost and for which fair values are disclosed in the Consolidated Financial Statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the 3 levels prescribed in the Indian Accounting Standard.

An explanation of each level follows underneath the table:

(₹ lakhs)

i) Financial assets and liabilities measured at fair value as at March 31, 2024	Level 1	Level 2	Level 3	Total
Financial assets				
Financial investments measured at FVTPL:				
Unquoted equity shares[1]	-	-	42.77	42.77
Mutual funds at FVTPL	-	30.02	-	30.02
Total financial assets	**-**	**30.02**	**42.77**	**72.79**

(₹ lakhs)

ii) Financial assets and liabilities measured at fair value as at March 31, 2023	Level 1	Level 2	Level 3	Total
Financial assets				
Financial investments measured at FVTPL:				
Unquoted equity shares[1]	-	-	42.77	42.77
Mutual funds at FVTPL	-	-	-	-
Total financial assets	**-**	**-**	**42.77**	**42.77**

[1]Includes investments in Bharuch Enviro Infrastructure Ltd (21,000 equity shares) and Narmada Clean Tech (4,06,686 equity shares), which are for operation purposes and the Company expects its refund on exit. The Group estimates that the fair value of these investments are not materially different as compared to its cost.

There were no transfers between any levels during the year.

Level 1: This hierarchy includes financial instruments measured using quoted prices. The fair value of all equity instruments that are traded on the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market (for example over-the-counter derivatives) is determined using valuation techniques, which maximise the use of observable market data and rely as little as possible on entity-specific estimates. The mutual fund units are valued using the closing net assets value. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

b) **Valuation techniques used to determine fair value**

Specific valuation techniques used to value financial instruments include:

i) the use of quoted market prices or dealer quotes for similar instruments,

ii) the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

c) **Valuation processes**

The Finance department of the Group includes a team that performs the valuations of financial assets and liabilities with assistance from independent external experts when required, for financial reporting purposes, including level 3 fair values.

d) **Fair value of financial assets and liabilities measured at amortised cost**

(₹ lakhs)

Particulars	As at March 31, 2024 Carrying amount | Fair value	As at March 31, 2023 Carrying amount | Fair value
Financial assets		
Security deposits for utilities and premises	94.57	144.51
Total financial assets	**94.57**	**144.51**
Financial liabilities		
Borrowings	2,371.41	3,478.61
Total financial liabilities	**2,371.41**	**3,478.61**

The carrying amounts of trade receivables, bank deposits with less than 12 months maturity, cash and cash equivalents, trade payables, capital creditors, employee benefits payable, payable towards expenses and security deposits payable are considered to be the same as their fair values due to the current and short-term nature of such balances.

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

Note 28.7 Financial risk management

The business activities of the Group are exposed to a variety of financial risks, namely liquidity risk, market risk and credit risk. Responsibility for the establishment and oversight of the risk management framework lies with the Senior Management of the Group. The Group has constituted a Risk Management Committee, which is responsible for developing and monitoring the risk management policies of the Group. The key risks and mitigating actions are also placed before the Audit Committee of the Group. The risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the activities of the Group.

This note explains the risks which the Group is exposed to and how the Group manages the risks in the Consolidated Financial Statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost	Aging analysis and credit rating	Diversification of investments in mutual fund and credit limits
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities

a) Credit risk

Credit risk is the risk of financial loss to the Group, if a customer or counterparty fails to meet its contractual obligations. Credit risk arises from cash and cash equivalents, financial assets measured at amortised cost or fair value through profit and loss and deposits with banks and financial institutions, as well as credit exposures to trade | non-trade customers including outstanding receivables.

i) Credit risk management

Credit risk is managed through the policy surrounding Credit Risk Management.

ii) Provision for expected credit losses

The Group provides for expected credit loss based on the following:

Trade receivables

Trade receivables consist of few customers, for which ongoing credit evaluation is performed on the financial condition of the account receivables. Historical experience of collecting receivables of the Group is supported by low level of past default and hence the credit risk is perceived to be low.

b) Liquidity risk

Ultimate responsibility for liquidity risk management rests with the Board of Directors, who has approved an appropriate liquidity risk management framework for short, medium and long term funding and liquidity management requirements of the Group. The Management monitors rolling forecasts of the liquidity position of the Group and cash and cash equivalents on the basis of expected cash flows and manages liquidity risk by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities.

The following table shows the maturity analysis of financial liabilities of the Group based on contractually agreed undiscounted cash flows including contractual interest payment, as at the Balance Sheet date:

(₹ lakhs)

Contractual maturities of financial liabilities as at March 31, 2024	Less than 1 year	More than 1 year	Total
Borrowings	521.41	1,850.00	2,371.41
Capital creditors	119.03	-	119.03
Trade payables	443.67	-	443.67
Security deposits payable	67.00	-	67.00
Employee benefits payable	74.74	-	74.74

(₹ lakhs)

Contractual maturities of financial liabilities as at March 31, 2023	Less than 1 year	More than 1 year	Total
Borrowings	1038.62	2439.99	3478.61
Capital creditors	475.35	-	475.35
Trade payables	400.91	-	400.91
Security deposits payable	69.53	-	69.53
Employee benefits payable	39.92	-	39.92

c) Market risk

i) Cash flow and fair value interest rate risk

Maturity analysis of financial liabilities of the Group is based on contractually agreed undiscounted cash flows as at the Balance Sheet date:
Borrowings of the Company are from Axis Bank Ltd and is mainly exposed to interest rate risk due to its variable interest rate borrowings. The interest rate risk arises due to uncertainties about the future market interest rate of these borrowings.

As an estimation of the approximate impact of the interest rate risk, with respect to financial instruments, the Group has calculated the impact of a 25 bps change in interest rates. A 25 bps increase in interest rates might have led to approximately an additional impact of ₹ 5.92 lakhs (2022-23: ₹ 8.70 lakhs). A 25 bps decrease in interest rates might have led to an equal but opposite effect.

Note 28.8 Segment information

The Group operates in a single business segment that is manufacturing of bulk chemicals. The Board of Directors is the Chief Operating Decision Maker (the 'CODM') of the Company and makes operating decisions, assesses financial performance and allocates resources based upon discrete financial information. Since the Company operate in a single operating segment, separate segment reporting has not been made under Indian Accounting Standard ('Ind AS') 108 -'Operating Segment'. Further, its operations are confined only in one geographical segment i.e. within India.

Note 28.9 Earnings per share

Earnings per share (EPS) - The numerators and denominators used to calculate basic and diluted EPS:

Particulars		2023-24	2022-23
Profit |(loss) for the year attributable to the equity shareholders	₹ lakhs	170.46	(1,610.50)
Right issue expenses debited to securities premium		(18.70)	(83.12)
Adjusted profit | (loss) for the year for EPS calculation		151.76	(1,693.62)
Weighted average number of equity shares			
For basic and diluted EPS	Number	1,23,62,662	99,34,156
Nominal value of equity share	₹	10	10
Basic EPS	₹	1.23	(17.05)
Diluted EPS	₹	1.23	(17.05)

Note 28.10 Relationship with struck off companies

There were no transactions or balances with struck off companies.

Note 28.11 Loans

During the year, the Group has not entered into any transaction in nature of loans and advances which falls within the purview of Regulation 34(3) read with para A of Schedule V to the SEBI (listing obligations and disclosure requirements) Regulations, 2015 read with Section 186 (4) of the Companies Act, 2013.

Note 28.12 Interest in other entities

a) **Subsidiary company**

The Group has incorporated a wholly-owned subsidiary during the financial year 2020-21. Unless otherwise stated, it has share capital consisting solely of equity shares that are held directly by the Group and the proportion of ownership interests held equals the voting rights held by the Group.

Name of entity	Principal activities	Place of business | Country of incorporation	Ownership interest held by the Group	
			As at March 31, 2024	As at March 31, 2023
			%	%
Amal Speciality Chemicals Ltd	Manufacturing of bulk chemicals	India	100%	100%

Note 28.13 Disclosure of additional information pertaining to the Parent and subsidiary company as per Schedule III of the Companies Act, 2013

No.	Name of the entity in the Group	Net assets		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
		As % of consolidated net assets	Amount (₹ lakhs)	As % of consolidated profit | (loss)	Amount (₹ lakhs)	As % of consolidated other comprehensive income	Amount (₹ lakhs)	As % of consolidated total comprehensive income	Amount (₹ lakhs)
	Parent company								
1	Amal Ltd	68%	8933.72	503%	242.63	-128%	0.37	507%	243.00
	Subsidiary company								
1	Amal Speciality Chemicals Ltd	32%	4143.59	-403%	(194.37)	228%	(0.66)	-407%	(195.03)
	Total	**100%**	**13077.31**	**100%**	**48.26**	**100%**	**(0.29)**	**100%**	**47.97**
	Adjustment arising out of consolidation		(6,087.99)		122.20		-		122.20
	Grand Total		**6989.32**		**170.46**		**(0.29)**		**170.17**

Note 28.14 Capital management

The primary objective of the capital management of the Group is to maximise shareholder value. The Group monitors capital using Debt-Equity ratio, which is total debt divided by total equity.

For the purposes of capital management, the Group considers the following components of its Balance Sheet to manage capital

Total equity includes retained earnings, share capital, security premium, other comprehensive income | (loss), capital contribution and equity capital pending allotment of shares. Total debt includes current debt plus non-current debt.

(₹ lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Total debt	2,371.41	3,478.61
Total equity	6,989.32	6,837.85
Debt-equity ratio	0.34	0.51

Note 29.15 Audit trail

As per the requirements of Rule 3(1) of the Companies (Accounts) Rules 2014, the Group uses only such accounting software for maintaining its books of account that have a feature of, recording audit trail of each and every transaction creating an edit log of each change made in the books of account along with the date when such changes were made and who made those changes within such accounting software. This feature of recording audit trail has operated throughout the year and was not tampered with during the year.

In respect of aforesaid accounting software, after thorough testing and validation, audit trail was not enabled for direct data changes at database level in view of the possible impact on the efficiency of the system. In respect of audit trail at database level, the Company has established and maintained an adequate internal control framework over its financial reporting and based on its assessment, has concluded that the internal controls for the year ended March 31, 2024 were effective. The Company is in the process of system upgradation to meet the database level audit trail requirement.

Note 28.16 Events after the reporting period
There was no significant event after the end of the reporting period, which require any adjustment or disclosure in the Consolidated Financial Statement.

Note 28.17 Rounding off
All amounts are rounded off to the nearest thousand unless otherwise stated.

Note 28.18 Authorisation for issue of the Financial Statements
The Consolidated Financial Statements were authorised for issue by the Board of Directors on April 19, 2024.

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board of Directors

Ketan Vora
Partner

Yogesh Vyas
Chief Financial Officer

Sunil Lalbhai
Chairman
(DIN:00045590)

Ankit Mankodi
Company Secretary

Rajeev Kumar
Managing Director
(DIN:07731459)

Mumbai
April 19, 2024

Mumbai
April 19, 2024