



ARVIND MAFATLAL GROUP
The ethics of excellence



NOCIL LIMITED

FOUNDATIONS FOR LONG-TERM SUSTAINABLE GROWTH

NOCIL LIMITED
62nd ANNUAL REPORT 2023-24

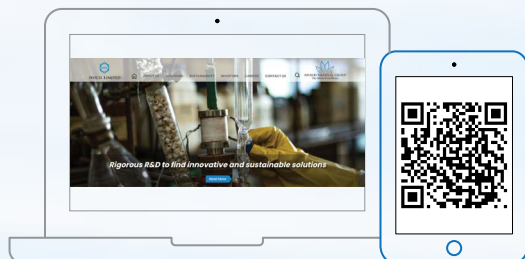


For more investor-related information,
please visit:

<https://www.nocil.com/overview/>

Or

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INVESTOR INFORMATION

Market Capitalisation as on March 31, 2024	₹ 4,168 Crores
CIN	L99999MH1961PLC012003
BSE Code	500730
NSE Code	NOCIL
AGM Date	August 08, 2024
AGM Mode	Virtual

Disclaimer

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

FOUNDATIONS FOR LONG-TERM SUSTAINABLE GROWTH

Strong foundations don't just support a structure - they enable it to reach new heights over time and thrive!

At NOCIL, stability and foresight drive the Company's success. NOCIL's strategic focus encompasses seven key levers: *market expansion, strategic investments, talent development, innovation, digitalisation, portfolio expansion, sustainability, and strong governance. Built on resilience and strategic foresight, NOCIL is laying the foundations for long-term sustainable growth, creating lasting value for stakeholders and contributing positively to the environment and society.*

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NOCIL: A Foundation of Trust & Excellence in Rubber Chemicals

NOCIL Limited ('NOCIL' or 'the Company') part of the Arvind Mafatlal Group, is dedicated to grow through technological innovation, global accreditation, and customer satisfaction, while maintaining a responsible approach to Environment, Health, and Safety. Over the past four decades, NOCIL has established itself as a trusted name in the manufacture and supply of rubber chemicals, serving a customer base across 40 countries.

Globally recognised as a one-stop-shop solution provider, NOCIL has earned a reputation as a dependable supplier, strengthened by its profound experience and advanced technical capabilities. This recognition highlights the Company's technical prowess giving it a significant advantage over not only as the largest domestic player but also as an emerging major player in the global RC space.

NOCIL operates under the guiding philosophy of '**Ethics of Excellence**,' highlighting the Company's commitment to high ethical standards and a pursuit of excellence in all aspects of its operations. The Company's focus on environmental technologies and accreditations such as '**Responsible Care**' and '**Excellence in Management of Environment**' from the **Indian Chemical Council (ICC)**

showcases its dedication to sustainability. NOCIL's '**ESG Charter**' guides the Company in overseeing key issues like climate change, human rights protection, Diversity, Equity, and Inclusion (DE&I) and occupational health and safety. The Company values the significance of social and governance factors in building a sustainable and effective investment strategy.



OVER 4 Decades
Expertise in the Rubber
Chemical Business



40+ Countries Presence

The NOCIL Edge



Extensive Range of Product Forms

- ▲ Comprehensive selection of rubber chemical products
- ▲ Diverse product formats with various applications supported by R&D and innovation



Dynamic Sales, Marketing, and Technical Services

- ▲ Market-responsive strategies
- ▲ Robust MTS (Marketing Technical Services) team providing technical support



Cutting-Edge R&D Expertise

- ▲ Experienced and innovative R&D scientists
- ▲ State-of-the-art laboratories and pilot plant facilities
- ▲ Advanced analytical instruments



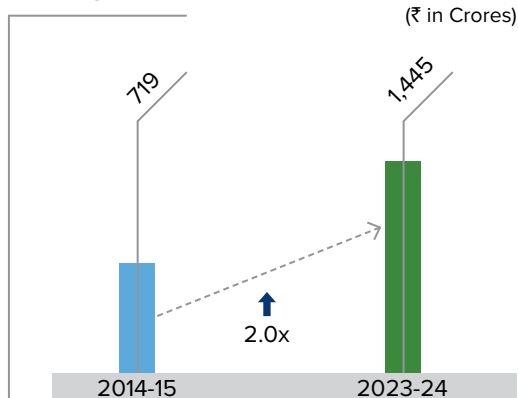
Foundation of Resilience: Our Story in Stats



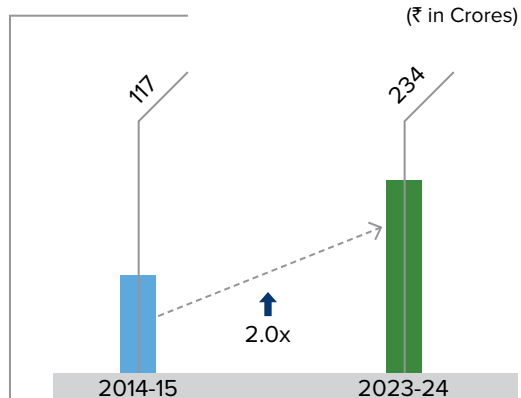
Performance Highlights

Financial Highlights

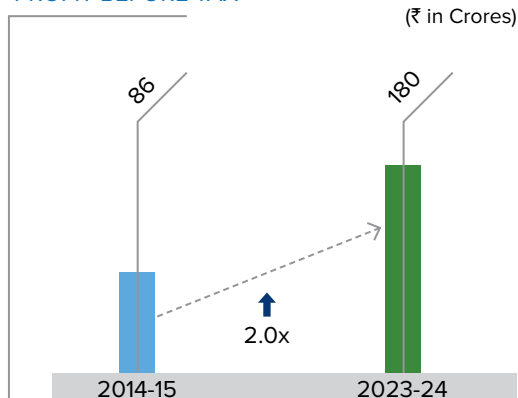
REVENUE



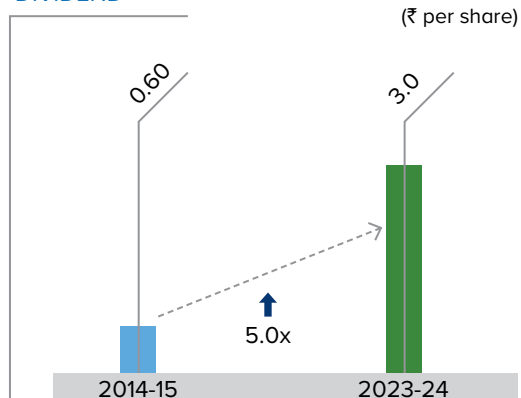
EBITDA



PROFIT BEFORE TAX



DIVIDEND



Based on Consolidated Financial Statements

Operational Highlights



166
Sales Volume* (Index)
in 2023-24



20+
Product Varieties of
Rubber Chemicals

*Base to 100; considering 2014-15 base period

Managing Director's Communiqué

Dear Stakeholders,

It is indeed my privilege to present the Annual Report of the Company for the financial year 2023-24 and I must begin my note by thanking all our employees, shareholders, customers, business partners and investors for their solid continued

support which has helped the Company demonstrate resilience and adaptability throughout the fiscal year despite facing external pressures such as aggressive market competition, subdued demand in the global markets, geopolitical tensions, and fluctuating raw material prices. The most notable feature for the year under review is our dedication to stability and foresight with strategic investments, innovation, and robust ESG initiatives, and this has ensured that we are firmly entrenched in our mission to create enduring value

for our stakeholders and contribute positively to the environment and society, thereby laying solid **'Foundations for Long-term Sustainable Growth'**.

Setting the Stage: Macroeconomic Landscape

As we look back over the past year, it's crucial to recognise the global challenges that have shaped our economic landscape. Supply chain disruptions, the prolonged conflict between Russia and Ukraine, the Middle East crisis and significant inflation spikes have rigorously tested business resilience worldwide.



Closer home, India's economy has stood out as a beacon of resilience, having grown by an impressive 8.2% in 2023-24. Indian economy is on its growth path towards becoming a USD 7 Tn economy by around 2030, on the back of growth drivers such as robust export growth, increased investments in infrastructure, and strong consumption.



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Strategic Response: Navigating Challenges with Foresight

NOCIL's strengths lie in its integrated value chain, technological advancements, extensive product range, and strong marketing & technical service and extensive distribution channel. Our commitment to R&D and innovation has enabled

us to stay ahead of industry trends and deliver high-quality products consistently. These operational strengths are fundamental to our strategy and provide a 'stable' foundation for sustainable growth.



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Financial and Operational Performance Highlights

For the financial year 2023-24, our consolidated net revenue from

operations stood at ₹ 1,445 Crores, compared to ₹ 1,617 Crores in the previous year. The decline can be attributed to a significant reduction in average selling prices primarily due to an aggressive approach adopted by the Chinese players followed by other players from EU, Korea and USA. In the same period, we achieved a year-on-year volume growth of 9% in the export segment, highlighting our robust performance in international markets. NOCIL demonstrated resilience and adaptability with a continued focus on operational excellence initiatives in manufacturing, leading to significant improvements in utilities and operational efficiencies, thus achieving an operating EBITDA of ₹ 195 Crores, with an EBITDA margin of 13.5%, reflecting the Company's ability to navigate a complex market environment.

Your Company has remained debt free for the 7th year in succession by its apt and judicious utilisation of resources and generation of cash profits during the whole year. Your Company also continues to enjoy 'stable' credit rating from the top credit rating agencies thereby indicating a robust financial health of the Company. Despite some disappointment in terms of fall in PAT, the Board of Directors of the Company remain firmly committed to uphold shareholder value by adopting a consistent dividend of 30% for the third year in succession.

Commitment to Long-Term Goals: Investing in Sustainable Growth

Our confidence in future growth is reinforced by a ₹ 250 Crores capital investment aimed at enhancing capacity. Our capital expenditure plan demonstrates our commitment to investing in future growth and expanding our capabilities.



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Driving Sustainable Change: Our Commitment to Sustainability

Sustainability is integrated into our operations, focussing on reducing our environmental impact through **'Responsible Care'** principles and **'Green Chemistry'**. NOCIL is one of the 86 companies in India that holds a certification for **'Responsible Care'** – the Global Chemical Industry's initiative, focussed on

Environmental, Health, and Safety (EHS) improvements since 2018. Additionally, our social responsibility initiatives align with our strategic pillars, engaging with communities and supporting healthcare, education, rural development, and environmental conservation. We prioritise energy efficiency and utilise hybrid power to reduce greenhouse gas emissions, with more than 25% of our electricity at one facility coming from renewable sources. Our commitment to sustainable operations is reflected in the implementation of the **'5S Workplace Organisation Method'** and the **'3Rs' strategy (Reduce, Reuse, Recycle)**. These initiatives help us maintain top HSE (Health, Safety, and Environment) standards.



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Empowering Communities: Our CSR Initiatives

NOCIL's commitment to Corporate Social Responsibility (CSR) is driven by our promoter group's philosophy, **'More than an Obligation, more than a Duty.'** Our robust CSR policy identifies key stakeholders and focusses on the eradication of hunger and poverty, promoting healthcare and education in rural areas, supporting women from economically weaker sections suffering from breast cancer, and promoting sports.

Recognised Excellence: Awards and Accolades

Our efforts have not gone unnoticed. **NOCIL received 6 (six) awards for Best Sustainability Initiatives at the 2nd India Sustainability Conclave and Awards 2023**, recognising our contributions to improving EHS, energy efficiency, poverty reduction, education promotion, and rural healthcare. We also received the prestigious Economic Times-Legal (ET-Legal) award for Best Legal Support to CSR Initiatives and the League of American Communication Professionals (LACP) Platinum Award for Best Sustainability Report in the Chemicals Sector. Apart from this we were bestowed with prestigious CNBC TV-18 award for **Best Regulatory Compliance Management** in the mid-cap sector.





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Future-Focussed: Building a Sustainable Tomorrow

As we look ahead, our vision extends beyond traditional boundaries. We are committed to exploring new avenues and expanding our horizons beyond tires, tapping into non-tired applications for our products. By leveraging our existing capacities efficiently, nurturing strong relationships with key international and domestic customers, and embracing innovation, we are well positioned as a leading player in the global rubber chemicals space.

Closing Note: A Heartfelt Thank You!

I extend my heartfelt gratitude to each one of you for your support and trust in NOCIL. Your commitment has been instrumental in our journey towards growth, innovation, and sustainability. Together, we will navigate the challenges and seize the opportunities that lie ahead, ensuring a prosperous future for all. Thank you for being an integral part of our journey.

Warm regards,

Anand V. S.
Managing Director



Foundation of Long-Term Growth: Smart Strategies for the Future

NOCIL's strategic vision focusses on innovation, global market expansion, and sustainable practices, setting the stage for long-term growth. The Company invests in expanding capacity, developing talent, and embracing digitalisation to enhance resilience and drive sustained expansion. Utilising a broad range of strategic levers, NOCIL is dedicated to bolstering its market presence, fostering innovation, and ensuring continued success in a competitive environment. With a 7-pillar strategy, NOCIL it has carved out a sustainable path for the future.





PEOPLE

Attract, develop, and retain talent

- ▲ Cultivate a high-performance and learning organisation where employees are engaged and enriched
- ▲ Prioritise employee safety



EXCELLENCE

Drive profitable growth through operational excellence

- ▲ Procure, manufacture, and deliver to customers through lean, reliable, and efficient processes
- ▲ Manage working capital prudently



DIGITALISATION

Embrace digital technologies for a competitive advantage

- ▲ Accelerate business growth through digital transformation
- ▲ Streamline processes and increase productivity with digital tools



SUSTAINABILITY

Facilitate transformation towards emissions reduction and resource efficiency

- ▲ Work towards targeted carbon emission reductions
- ▲ Utilise existing frameworks and recognitions such as *Responsible Care*, *EcoVadis*, and ESG to drive sustainability

Foundation of Excellence: Our Diverse Product Range

With a strong focus on innovation and sustainability, NOCIL aims to double its market share by leveraging its existing product portfolio and tapping into growth opportunities in key regions such as Asia, Europe, and the US. This strategic approach not only ensures the Company's growth but also contributes to the long-term sustainability of the tire and non-tire industry.



Anti-Degradants/Anti-Oxidants Accelerators

Anti-oxidants, vital in rubber compounds, deter ageing and prevent degradation of rubber products from oxygen attack, thereby extending their service life.

Accelerators

Accelerators expedite vulcanisation, enabling it to occur at lower temperatures while maintaining high efficiency. These additives are crucial in promoting the cross-linking of rubber molecules, resulting in a stronger and more durable rubber material. By reducing vulcanisation time and temperature, accelerators optimise manufacturing processes, save energy, and enhance productivity. This accelerated vulcanisation process ensures that rubber products can be efficiently produced without compromising quality or performance.



Other Applications

NOCIL's products are used in various areas, such as pre-vulcanisation inhibition and latex-based applications among others, etc.

NOCIL provides comprehensive support to its customers, ensuring optimal performance across a range of applications and contributes to the overall quality and longevity of rubber-based products.



NOCIL's Strengths

Foundation of Innovation and Sustainability. Our Core Strengths

NOCIL's success in the rubber chemical industry can be attributed to its commitment to providing comprehensive solutions, adopting greener solutions, and maintaining a strong focus on sustainability. With a wide range of products and a reputation for innovation, NOCIL has positioned itself as a reliable partner for customers worldwide. The Company's stringent product validation process and environmentally conscious practices further enhance its appeal as a 'Supplier of Choice' in the industry.

Key factors that have been instrumental in NOCIL's rise as a prominent player in the rubber chemical industry include:

Comprehensive solutions and technical support for rubber applications

Global recognition for technical capabilities

Implementation of greener solutions and sustainable growth practices

Commitment to **'Responsible Care'** and environmental sustainability



Foundation of Operational Sustainability: Our Manufacturing Facilities

NOCIL possesses advanced manufacturing facilities equipped with cutting-edge technologies to produce high-quality rubber chemicals that meet international standards. The Company is planning to expand its capacity to support growth opportunities and is exploring new chemistries over the next couple of years.

NOCIL is dedicated to sustainable practices and has implemented several green initiatives across its manufacturing facilities. This includes the installation of solar panels, sourcing of green energy, and cogeneration, all aimed at reducing its carbon footprint and promoting environmental responsibility.

Glimpse of the Plants

**Navi Mumbai Plant:
Engineering Precision**



Established in 1976, the Navi Mumbai plant is strategically located in the Trans-Thane Creek Industrial Area. This facility is well-equipped to manufacture a comprehensive range of rubber chemicals, boasting advanced technology and automated control systems for efficient and precise production processes.

**Dahej Plant: Cutting-Edge
Manufacturing**



The Dahej site, which has been operational since 2013, is a state-of-the-art facility located near Bharuch, Gujarat. Its strategic proximity to the petrochemical industry and ports like Dahej and Hazira enhances its operational efficiency. The facility employs fully automated processes and in-house technology to ensure optimal operations and product quality.

The Company has done various debottlenecking projects. To pursue its long-term objective in the RC space, the Company has recently announced its capex program of ₹ 250 Crores at its Dahej site, demonstrating its commitment towards a sustainable growth.

Operational Excellence

NOCIL's operational excellence is evident in its streamlined processes and efficient management practices. The Company leverages advanced technologies and automation to enhance productivity and maintain high-quality standards.

Strong Presence across Regions

NOCIL has effectively positioned itself as a key global player in the rubber chemical industry. Its leadership position is fuelled by its commitment to high-quality products, comprehensive service offerings, and a strong

export strategy aimed at reducing reliance on the Chinese market to ensure long-term supply stability. China +1 strategy has additionally pushed NOCIL's strategy to expand in the exports market.



Disclaimer: This map is a generalised illustration intended solely for the readers' convenience in understanding the locations. It is not intended for reference purposes. The depiction of political boundaries and the names of geographical features/states may not accurately reflect the actual position. The Company, its directors, officers, or employees cannot be held responsible for any misuse or misinterpretation of the information or design. The Company does not warrant or represent any kind of accuracy or completeness in connection with this map.

Foundation of Sustainable Excellence: Innovation & Quality

NOCIL is dedicated to innovation and quality excellence, leveraging data analysis and digital technologies to enhance manufacturing efficiency. The Company's emphasis on continuous technological advancements helps it secure a strong market position, enables cost-effective production, and delivers superior products to its customers.

R&D and Total Quality Management



Research & Technology Development

The Ministry of Science and Technology, Government of India recognises NOCIL's Research Centre in Navi Mumbai. Its key areas of focus include:

- Process development, scale-up, and commercial implementation
- Environmental strategies for sustainable growth
- Research initiatives tailored to customers' perceived needs



Total Quality Management

NOCIL has implemented strong systems and processes that adhere to international business standards at every level. The Company actively integrates feedback from audits conducted by customers, and certifying organisations, enabling continuous operational improvements. Its Total Quality Management (TQM) practices are crucial in boosting product and service quality, enhancing competitiveness, and fostering business growth.



Quality Assurance Certifications

NOCIL's Quality Management System emphasises the quality of raw materials, finished products, and in-process sample analysis. The Company's Quality Control Laboratory operates 24/7 and is equipped with the latest analytical instruments and equipment.

NOCIL's R&D facilities have been acknowledged by the Department of Scientific and Industrial Research (DSIR) under the Ministry of Science and Technology. These facilities actively collaborate with prestigious educational institutions and specialised research institutes (SSIR) to facilitate knowledge transfer and drive innovation. Such collaborations enable NOCIL to remain at the forefront of scientific progress and leverage the expertise of renowned academic and research institutions. Additionally, NOCIL's Research Centre possesses a highly experienced team dedicated to advancing environmental research and promoting sustainable business practices through the adoption of '**Green Chemistry**' principles.

Key Certifications and Recognitions include:

- ▲ ISO 50001:2018 for energy management systems
- ▲ ISO 9001:2015 for quality management systems
- ▲ ISO 14001:2015 for environmental management systems
- ▲ ISO 45001:2018 for occupational health and safety management systems
- ▲ ISO/IEC 17025:2017 accreditation for Quality Assurance and Marketing Technical Services laboratories
- ▲ 'Responsible Care' Certification from the Indian Chemical Council
- ▲ IATF 16949:2016 for automotive quality management systems

Foundation of Progress: Our Sustainability Framework

Sustainability is central to NOCIL's business strategy. The Company is deeply committed to reducing its environmental impact and has actively integrated sustainable practices across its operations. As a '**Responsible Care**' certified entity, NOCIL rigorously complies with all applicable environmental, health, and safety regulations. This commitment is evident in its efforts to conserve energy, protect natural resources, prevent pollution, and ensure the well-being of individuals.



Environmental Stewardship

Foundation of a Greener Future: Environmental Stewardship

NOCIL goes beyond meeting the environmental regulations; it is committed to leading the way to a greener future with cutting-edge technologies like **'Green Chemistry'**.

NOCIL has launched several green initiatives to reduce its environmental impact and enhance sustainability. These include the installation of solar panels at both its plants, which tap into renewable energy sources, reducing reliance on non-renewable energy. Additionally, the Company sources green energy, further cutting its carbon emissions. By using cogeneration, NOCIL maximises energy efficiency and reduces greenhouse gas emissions.

The Company is proactively committed to:

Conducting all activities in an environmentally friendly manner, exceeding statutory environmental compliances and standards

Increasing the use of renewable energy and fuels

Adopting efficient technologies to improve energy efficiency

Investing in R&D for environmentally sustainable products

Reducing water consumption by increasing the use of recycled water

Implementing the **'5S Workplace Organisation Method'** to enhance productivity, safety, and waste reduction

Adopting a **'3Rs'** strategy focussing on pollution prevention and waste management

Promoting a safe and healthy work environment with **top HSE standards** across all operations

Reducing carbon footprint and Scope 1 and 2 emissions, with its commitment under **'SBTi (Science Based Target Initiatives)'**

Implementing a greener hazardous waste disposal method, shifting from incineration to pre-processing (co-processing)

Safe and Secure Environment

NOCIL is dedicated to enhancing environmental protection, health, safety, and secure transportation. The Company has stringent rules, processes, practices, and systems in place to address process safety and ensure a safe work environment. It adheres strictly to the highest standards of HSE (Health, Safety, and Environment) across all operations, promoting a safe and healthy workplace.



Energy Consumption

NOCIL prioritises energy efficiency and conservation in its manufacturing processes. The Company has implemented several initiatives to optimise energy consumption, minimise waste generation, and enhance operational efficiency. By investing in state-of-the-art technologies, NOCIL has made significant strides in maximising energy efficiency and reducing greenhouse gas emissions. These efforts are aligned with its commitment to sustainability and support a greener future.

NOCIL's sustainability initiatives entail energy management initiatives, which play a key role in achieving a reduction in carbon emissions. The Company has partnered with an external party to source hybrid power which consists of renewable energies like solar and wind power via the grid to reduce GHG emissions. Currently, more than 25% of the electricity consumed by one of NOCIL's sites is in the form of Green Energy. The Company is also focussing on the cogeneration of electricity, which will further reduce carbon emissions.

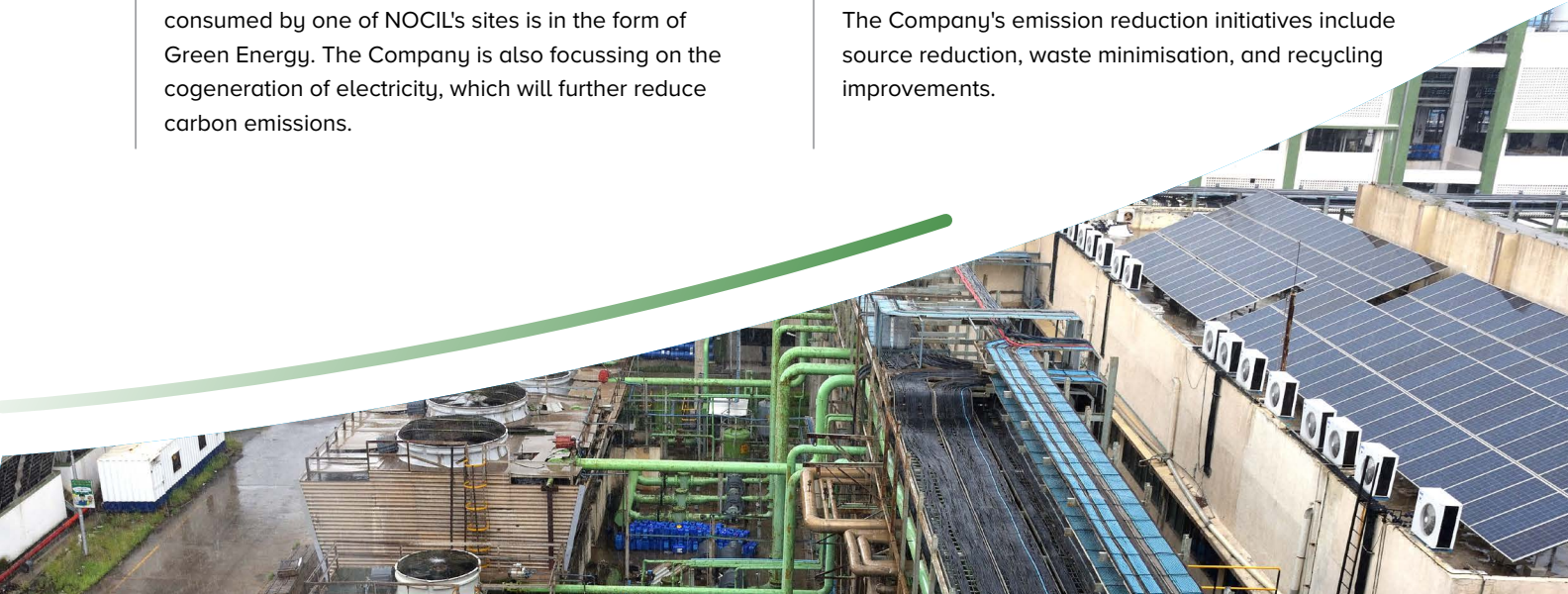


Reducing Emissions

In line with its dedication to environmental stewardship and sustainable business practices, NOCIL has undertaken substantial measures to reduce its greenhouse gas emissions and carbon footprint. Through energy optimisation strategies, the Company has effectively curtailed the release of greenhouse gases into the atmosphere. This achievement underscores NOCIL's commitment to sustainable practices and its continuous efforts to minimise its environmental footprint.

To reduce its overall carbon footprint, NOCIL has set aggressive targets for reducing Scope 1 and Scope 2 emissions. The Company has signed its commitment under '**SBTi (Science Based Target Initiatives)**' and is one of the few chemical companies in India to have done so. **NOCIL has also disclosed its emissions in CDP (Carbon Disclosure Platform) and has secured a B-rating.**

The Company's emission reduction initiatives include source reduction, waste minimisation, and recycling improvements.





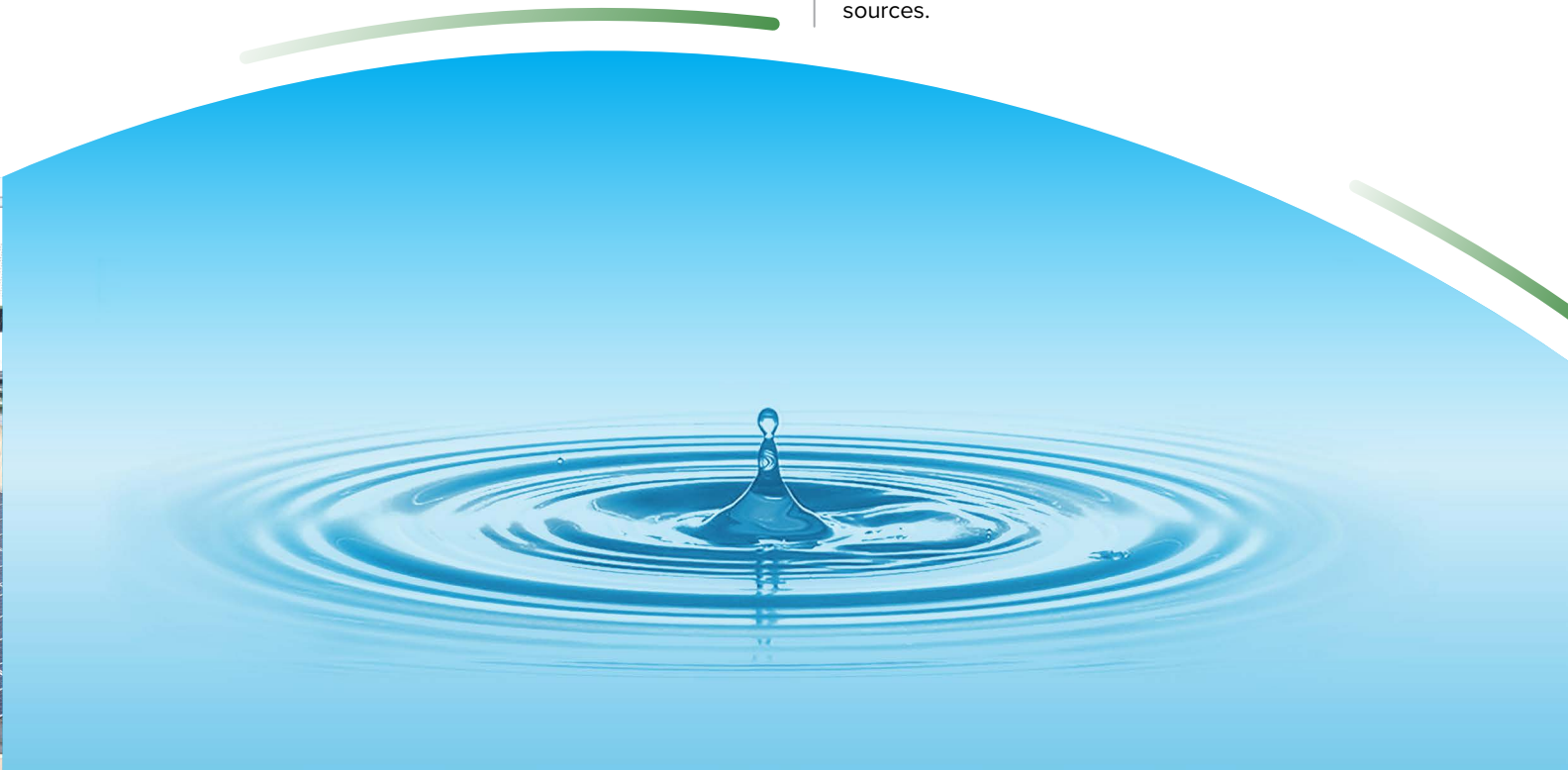
Waste Management

NOCIL places significant emphasis on optimising production processes to minimise material losses and effectively curb waste generation at its source. Recognising the potential environmental impact of hazardous process waste, the Company has implemented waste management strategies that include reduced generation, effective treatment and disposal, and recycling and recovery where possible. This helps reduce the generation of solid waste and reuse solvents through recovery processes.



Water Consumption

NOCIL has implemented initiatives to reduce water consumption. Recognising water's critical role in chemical production, the Company focusses on water management strategies to lower operating costs and mitigate the financial impacts of regulations and water supply shortages. It has implemented a **'Recycle and Reuse'** water strategy at its production sites. NOCIL's water management aims to protect water as a resource, continuously improve water use efficiency, and reduce water consumption. The Company reaffirms its commitment to protecting water resources and ensuring its operations do not adversely affect nearby water sources.



Foundation of Responsibility: Our CSR Endeavours

NOCIL places a strong emphasis on fulfilling its Corporate Social Responsibility (CSR) by actively engaging with and serving the broader community. The Company's consistent efforts are dedicated to enhancing the lives of the less privileged and those in impoverished conditions.

Beyond simply meeting legal requirements for CSR, NOCIL is distinguished by its comprehensive CSR Policy. This policy is rooted in the Promoter Group's philosophy of **'More than an Obligation, More than a duty,'** which the Company implements in letter and spirit. Some vital areas that NOCIL focusses on through its CSR initiatives include eliminating hunger and poverty, advancing healthcare and education in rural communities. Additionally, it supports economically disadvantaged women battling breast cancer and even promotes sports. The sports initiative aims to support talented athletes from underprivileged backgrounds in achieving gold medals, thereby elevating the nation's prestige. A dedicated CSR Committee oversees the implementation of this policy, ensuring its effectiveness and alignment with the Company's core values.



Green Yatra Initiative through Miyawaki Afforestation

NOCIL undertook this unique and productive initiative involving the plantation of 2,000+ saplings. It included 45 local native species through technology sourced from Miyawaki at SPRF Taloja, Navi Mumbai, Maharashtra. Green Yatra is a leading environmental solution-based NGO in India dedicated to a green journey involving protection, conservation, and improvement towards the environment, mother nature, and humanity.

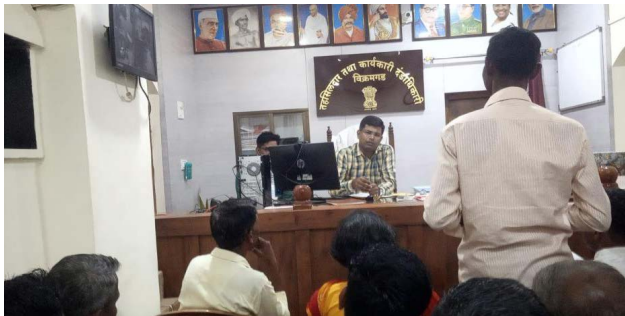
During the year under review, the Company continued undertaking some CSR initiatives through well-established and reputed NGOs that have been partnering with the Company's social endeavours for many years



Vayam

NOCIL supported VAYAM, an NGO, in its initiatives to uplift backward communities through the following dedicated projects:

- ▲ **Padopadi Swarajya:** This project has helped many villages across 4 tribal blocks build strong community institutions, benefiting about 3,600 individuals from the backward and downtrodden sections of society. It covered 18 villages from Palghar and Nashik District of Maharashtra.
- ▲ **Su-Poshan:** This project provided nutritional support to farmers in remote areas, benefiting around 240 people. The project area for Su-poshan covered 18 villages from Palghar and Nashik District.





Seva Sahayog Foundation

NOCIL has been associated with Seva Sahayog since 2016, with the objective of development and welfare of underprivileged sections of society. Seva Sahayog Foundation has programmes in the areas of Education, Empowerment, and Environment:

- ▲ **Samutkarsh Programme:** This programme is designed for the holistic development of underprivileged children by running community learning centres (CLC or Abhyasika) in urban slums, benefiting around 184 students.
- ▲ **Kishori Vikas Project:** The Kishori Vikas project supports adolescent girls aged 12 to 18 from urban slums and villages where Abhyasika's study centres operate. The Project conducts 40 sessions on topics like food, health, sex education, and personality development to boost confidence and provide better opportunities for expression. This initiative has benefited around 1,013 students.





Ashray Foundation

NOCIL supported a Water Management Project code-named Jal Sangrah undertaken by the NGO, Ashray Foundation. The objective of the NGO is to cope with the chronic problem of water storage in Santalpur Taluka of Patan district. The NGO focusses on the construction of Holiyas to augment and increase water storage. This will result in efficient agricultural yields and livelihood security, access to clean water for drinking and sanitation, and an increase in employment and boosted income in the rural areas of Gujarat.



Promoting Healthcare

NOCIL extends its CSR initiatives to support community health programmes for the underprivileged in rural and tribal areas. The Company allocates funds to renowned NGOs like The Cancer Patients Aid Association (CPAA), facilitating affordable or free treatment for impoverished individuals, especially women, battling serious illnesses such as cancer.



Supporting Indian Athletes

NOCIL provides financial support to The Foundation for Promotion of Sports and Games - Olympic Gold Quest (OGQ) - founded by icons Geet Sethi and Prakash Padukone. The Company aims to narrow the gap between India's exceptional athletes and the world's top athletes, focussing on assisting Indian sportsmen and sportswomen in their pursuit of Olympic Gold Medals. This support aims to provide the necessary resources and nurture India's talented athletes, empowering them to reach their full potential on the global stage.

OGQ's extensive support, covering training, physiotherapy, and more, has been pivotal in India's best-ever performance at the World Para Athletics Championships. Additionally, the Indian women's badminton team, with all singles players supported by OGQ, bagged India's first gold at the Badminton Asia Team Championships, defeating top-seeded teams.



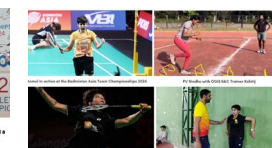
OGQ supported women athletes J. R. Acharya Chhabra, Anand Shrivastava, PV Sindhu and Taranjit Singh



Deepthi Jeevanti
Born with a congenital disease which hampered her from achieving her dreams, OGQ supported her in her quest to become a Paralympic athlete. OGQ supported her in her quest to become a Paralympic athlete.



Sivaram Sharma
Born with a congenital disease which hampered his from achieving his dreams, OGQ supported him in his quest to become a Paralympic athlete. OGQ supported him in his quest to become a Paralympic athlete.



OGQ supported women athletes J. R. Acharya Chhabra, Anand Shrivastava, PV Sindhu and Taranjit Singh



OGQ supported women athletes J. R. Acharya Chhabra, Anand Shrivastava, PV Sindhu and Taranjit Singh



Sachin Khilari
Born with a congenital disease which hampered his from achieving his dreams, OGQ supported him in his quest to become a Paralympic athlete. OGQ supported him in his quest to become a Paralympic athlete.



Mariyappan Thangavelu
Born with a congenital disease which hampered his from achieving his dreams, OGQ supported him in his quest to become a Paralympic athlete. OGQ supported him in his quest to become a Paralympic athlete.



13

of the 17 Medal
Winners for India are
Supported by OGQ



4

of the 6 Gold Medal
Winners for India are
Supported by OGQ



81

Total of Athletes were
Supported by NOCIL
Limited

Foundation of Trust: Our Strong Principles

At NOCIL, nurturing a resilient corporate culture is key to the Company's robust governance. The Company's leadership is committed to advancing objectives that align with its core values and long-term sustainability.

Board Of Directors

Mr. Hrishikesh A. Mafatlal

Executive Chairman & Promoter

Mr. Hrishikesh A. Mafatlal, also holds the position of Chairman at the Arvind Mafatlal Group (AMG). He earned an Honours Degree in Commerce from Mumbai's Sydenham College in 1975, and furthered his skills by completing the Advanced Management Programme (AMP) at Harvard Business School in the United States in 1993. Mr. Mafatlal has served on the Board of Governors of IIM Ahmedabad for 12 years (1995–2007) and was the Vice Chairman of the Cotton Textiles Export Promotion Council (TEXPROCIL).

Mr. Anand V. S.

Managing Director

Mr. Anand holds a Bachelor's Degree in Chemical Engineering from Siddaganga Institute of Technology from Bangalore University and a Post Graduate Diploma in Management from MDI Gurgaon. He has over 26 years of experience in the chemical industry in business management, sales and marketing, strategy, and operations, having worked across multiple divisions of BASF, within and outside India. Prior to joining NOCIL, Mr. Anand was the Managing Director of Chemetall India Pvt. Ltd. (a BASF Group Company).

Mr. Vilas R. Gupte

Independent Director

Mr. Vilas R. Gupte, is a Chartered Accountant with more than 40 years of experience in Finance, Legal, and Commercial aspects across various companies. He served as the Chief Executive Officer of NOCIL until July 2005. Mr. Gupte is currently associated with a Business Solutions Consultancy and serves on the Board of Mafatlal Industries Limited, an Arvind Mafatlal Group.

Ms. Dharmishta N. Raval

Independent Director

Ms. Dharmishta N. Raval became a member of the Gujarat Bar Association in 1980. She is currently a partner at Raval & Raval, Advocates in Ahmedabad, where she has been practicing law since May 2003. She has extensive experience in legal matters. Ms. Raval previously served as the Executive Director (Law) of the Securities and Exchange Board (SEBI). She holds the position of Independent Woman Director on the boards of several reputed public limited companies.

Mr. Priyavrata H. Mafatlal

Non-Executive Director

Mr. Priyavrata H. Mafatlal, comes from a family with a strong industrial background. He is the currently Managing Director of Mafatlal Industries Limited. He holds a B.M.S. Degree in Marketing Management and an M.Com. Degree from Mumbai University, specialising in Marketing. In August 2014, he attended the IIM Ahmedabad Emerging Leaders' Programme to further enhance his leadership skills.

Mr. A. Vellayan

Independent Director

Mr. A. Vellayan holds a Bachelor's Degree in Commerce from Shri Ram College of Commerce, New Delhi, a Diploma in Industrial Administration from Aston University, UK, and a Masters in Business Studies from the University of Warwick Business School, UK. He has vast experience in Fertilisers Business, General Management, and Financial Planning. He has been conferred Doctor of Science (Honoris Causa) by the Tamil Nadu Agricultural University, Coimbatore. He is the Chairman of the Indian Institute of Management and holds directorship in several prominent companies.

Mr. Debnarayan Bhattacharya

Independent Director

Mr. Debnarayan Bhattacharya holds a B. Tech (Hons) Degree in Chemical Engineering from IIT Kharagpur and a B.Sc. (Hons) Degree in Chemistry from Kolkata's Presidency College. He has previously served as the Vice-Chairman of Hindalco Industries Limited, the metals flagship Company of the Aditya Birla Group, and held the position of Vice-Chairman at Novelis Inc., a global leader in flat-rolled materials and a subsidiary of Hindalco. He has also served on the board of Vodafone Idea Limited.

Ms. Radhika Haribhakti

Independent Director

Ms. Radhika Haribhakti, holds over 30 years of experience in Commercial and Investment Banking with a distinguished career at Bank of America, JM Morgan Stanley, DSP Merrill Lynch, and RH Financial. Ms. Radhika Haribhakti serves as an Independent Director on multiple Corporate Boards. Holding a degree in Commerce and a postgraduate diploma in Management from IIM Ahmedabad, she offers invaluable insights and strategic acumen to our governance structure.

Mr. Ramesh Iyer

Independent Director

Mr. Ramesh Iyer, holds a Bachelor's Degree in Commerce and a Master's Degree in Business Administration. He was formerly the Vice Chairman & Managing Director of Mahindra & Mahindra Financial Services Limited. He has vast experience in financial service sector. He serves as an Independent Director on various Boards.

Mr. Sujal Shah

Independent Director

Mr. Sujal Shah, is the founder partner of SSPA & Co., Chartered Accountants, Mumbai, specialising in Corporate Consultancy. His primary areas of practice include Financial Valuation for Mergers & Acquisitions etc. Mr. Shah also provides advisory services on Business Restructuring, Family Settlements, Succession Planning and General Corporate Matters.

Mr. Rohit Arora

Independent Director

Mr. Rohit Arora is a Chartered Accountant with over two decades of experience in BPO, Investment Banking, and Management Consulting. He is actively engaged in these industries on a global scale and holds Directorship positions on the boards of several renowned corporations.

Mr. D. N. Mungale

Independent Director

Mr. D. N. Mungale, is a Chartered Accountant who has dedicated the majority of his career to the Corporate and Investment Banking sectors in India and Europe, primarily with Bank of America and DSP Merrill Lynch Limited. He currently acts as an Advisor to selected corporations in India and Europe and holds directorship positions on the boards of several prominent public limited companies belonging to leading Business Groups.

Mr. P. V. Bhide

Independent Director

Mr. P. V. Bhide, retired as the Revenue Secretary from the Ministry of Finance, Government of India, wherein he served as an Indian Administrative Service Officer (IAS). Mr. Bhide held prestigious positions such as Secretary of the Department of Disinvestment and Special Secretary and Additional Secretary of the Indian Ministry of Home Affairs. He also served as a director on the boards of several prominent public limited companies.



Foundation of Encouragement: Recognition for Our Sustainable Practices

NOCIL has gained appreciation for its firm commitment to excellence and sustainability in the chemical industry. With a focus on responsible practices and innovation, the Company has been consistently recognised and awarded for its achievements. This recognition not only validates NOCIL's efforts but also reinforces its position as a leader in sustainable growth.

Sustainability Awards

Received six awards for Best Sustainability Initiatives in 2023 at the 2nd India Sustainability Conclave and Awards 2023 on November 2, 2023, under the aegis of Transformance Business Media. The awards recognised NOCIL's best sustainability initiatives towards:

- ▲ Improving Environment, Health & Safety (EHS)
- ▲ Enhancing Energy Efficiency
- ▲ Reducing Poverty (CSR)
- ▲ Promoting Education for Economically Backward Sections (CSR)
- ▲ Supporting Rural Healthcare (CSR)





Honoured with the prestigious Economic Times-Legal (E.T-Legal) Award at the Global Legal Convention & Awards Ceremony on December 2, 2023. This accolade recognised and acknowledged the groundbreaking contributions of NOCIL's Legal function towards its CSR initiatives.



The Legal & Compliance team of NOCIL was recognised as the Legal Team of the Year (small size) at the prestigious Legal Era Awards (2023-24) Function in New Delhi. The award was presented by Hon'ble Justice Deepak Mishra (Former Chief Justice of India).



NOCIL's Sustainability Report 2022-23 bagged the LACP Vision Award (PLATINUM) for Best Sustainability Report in the Chemicals sector. The League of American Communications Professionals (LACP) awarded NOCIL a near-perfect score of 99 out of 100. The report was recognised for its exceptional communication capabilities and stood out among entries from over 20 countries.



The Company was selected as a winner at the India Risk Management Awards at CNBC-TV18 India Risk Management Awards Season 10 (category – REGULATORY COMPLIANCE MANAGEMENT - Mid-Cap). This prestigious award recognises the exceptional achievements of the organisation in the field of Regulatory Compliance Management (as a part of its Risk Management initiatives).



Corporate Information

Board Of Directors (as on May 29, 2024)

Executive Directors

Mr. Hrishikesh A. Mafatlal
(DIN: 00009872)
Executive Chairman

Mr. Anand V. S. (DIN: 07918665)
Managing Director

Non-Independent Director

Mr. Priyavrata H. Mafatlal
(DIN: 02433237)

Independent Directors

Mr. Rohit Arora (DIN: 00445753)
Mr. Vilas R Gupta (DIN: 00011330)
Mr. D. N. Mungale (DIN: 00007563)
Mr. P. V. Bhide (DIN: 03304262)
Ms. Dharmishta N. Raval
(DIN: 02792246)
Mr. Debnarayan Bhattacharya
(DIN: 00033553)
Mr. A Vellayan (DIN: 00148891)
Mr. Sujal Shah (DIN: 00058019)
Mr. Ramesh Iyer (DIN: 00220759)
Ms. Radhika Haribhakti
(DIN: 02409519)

Company Secretary

Mr. Amit K. Vyas

Board Committees

Audit Committee

Mr. D. N. Mungale (Chairman)
Mr. Debnarayan Bhattacharya
Mr. P. V. Bhide
Mr. Rohit Arora
Mr. Vilas R. Gupta

Risk Management Committee

Mr. P. V. Bhide (Chairman)
Mr. Debnarayan Bhattacharya
Mr. Hrishikesh A. Mafatlal
Mr. P. Srinivasan (as a management representative)
Mr. A. Vellayan
Mr. Anand V. S.

Nomination and Remuneration Committee

Mr. Rohit Arora (Chairman)
Mr. D. N. Mungale
Mr. Hrishikesh A. Mafatlal
Mr. Debnarayan Bhattacharya

Corporate Social Responsibility (CSR) Committee

Mr. Hrishikesh A. Mafatlal (Chairman)
Ms. Dharmishta N. Raval
Mr. Vilas R. Gupta
Mr. Anand V. S.

Stakeholders' Relationship and Investors' Grievance Committee

Ms. Dharmishta N. Raval (Chairperson)
Mr. Vilas R. Gupta
Mr. Hrishikesh A. Mafatlal
Mr. Anand V. S.

Registered Office

Mafatlal House, H.T. Parekh Marg,
Backbay Reclamation, Churchgate,
Mumbai-400 020, Maharashtra.

Contact Details

Telephone: +91 22 6636 4062 / 6657 6100
Fax: +91 22 6636 4060
E-mail: investorcare@nocil.com
Website: www.nocil.com

Auditors

Kalyaniwalla & Mistry LLP
Chartered Accountants

Registrar & Share Transfer Agent

KFin Technologies Limited
Selenium Tower B, Plot 31-32,
Gachibowli,
Financial Dist, Nanakramguda,
Hyderabad- 500032
Tel Ph.: + 91 40 6716 2222
E-mail: einward.ris@kfintech.com
Website: www.kfintech.com

Bankers

HDFC Bank Limited
AXIS Bank Limited
ICICI Bank Limited
IDFC First Bank Limited

Manufacturing Facilities

Navi Mumbai

C-37, Trans Thane Creek
Industrial Area, Off. Thane-Belapur
Road, Navi Mumbai-400 705,
Maharashtra

Dahej

12/A/1 & 13/B/1, Dahej Indl. Estate,
Village Ambheta, Tal. Vagra,
Dist. Bharuch-392 130, Gujarat

Financial Metrics

Financial Resilience Amidst Uncertainty

Key Items of Income Statement

(₹ in Crores)

Particulars	2023-24	2022-23	2021-22
1. Revenue from Operations	1,445	1,617	1,571
2. Operating EBITDA	195	253	286
3. Depreciation & Finance Cost	55	57	49
4. Other Income	39	6	4
5. Profit Before Tax	180	202	241
6. Profit After Tax	133	149	176
7. Earning per share (EPS) - Basic (in ₹)	7.88	8.92	10.57
8. Earning per share (EPS) - Diluted (in ₹)	7.85	8.89	10.54
9. Dividend per share	3.00	3.00	3.00

Broad Particulars of Assets & Liabilities

(₹ in Crores)

Assets	March 31, 2024	March 31, 2023	March 31, 2022
10. Property, Plant and Equipment	886	896	917
11. Non Current Financial Assets	129	52	44
12. Non-Current Tax Assets & Other Non-Current Assets	25	28	25
13. Inventories	223	285	333
14. Investments	281	176	18
15. Trade Receivables	340	346	450
16. Cash, Cash Equivalents & Other Bank Balances	96	58	16
17. Other Financial & Current Assets	37	17	27
TOTAL	2,015	1,857	1,831
Equity and Liabilities	March 31, 2024	March 31, 2023	March 31, 2022
18. Equity Share Capital	167	167	167
19. Other Equity	1,532	1,385	1,279
20. Deferred Tax Liabilities (Net)	125	111	107
21. Trade Payables	118	127	215
22. Other Current & Non Current Liabilities	73	67	63
TOTAL	2,015	1,857	1,831

Notice



NOCIL LIMITED

CIN: L99999MH1961PLC012003

Regd. Office: Mafatlal House, H.T. Parekh Marg, Backbay Reclamation,
Churchgate, Mumbai-400020 Tel. No. 91-22-66364062,

Fax No: 91-22-66364060, Website: www.nocil.com

Email: investorcare@nocil.com

NOTICE is hereby given that the SIXTY SECOND (62nd) Annual General Meeting of the Members of NOCIL Limited ('the Company') will be held on **Thursday, August 08, 2024 at 03.00 p.m. (IST)** through Video Conferencing ('VC') / Other Audio-Visual Means ('OAVM') at Mafatlal House, H.T. Parekh Marg, Backbay Reclamation, Churchgate, Mumbai - 400 020 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited (Standalone and Consolidated) Statements of Profit and Loss, Cash Flow Statement of the Company for the Financial Year ended March 31, 2024 and the Balance Sheet as of March 31, 2024 and the Reports of the Directors and the Auditors thereon.
2. To declare dividend on equity shares for the financial year ended March 31, 2024.
3. To appoint a director in place of Mr. Anand V.S (DIN: **07918665**), who retires by rotation and being eligible, offers his candidature for re-appointment.

SPECIAL BUSINESS

4. **Re-appointment of Mr. Debnarayan Bhattacharya (DIN:00033553) as an Independent Director for a second term of five 5 years**

To consider and if thought fit, to pass the following resolution as a **SPECIAL RESOLUTION**:

"RESOLVED THAT Mr. Debnarayan Bhattacharya (DIN : 00033553), who was appointed by the Board of Directors as an Additional (Non-Executive, Independent) Director of the Company effective July 30, 2024, in terms of Section 161 of the Companies Act, 2013 ('Act') read with the Articles of Association of the Company, and who is eligible for appointment and who has consented to act as a Director of the Company and in respect of whom the Company has received a notice in writing from a Member under

Section 160(1) of the Act proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Act (including any statutory modification or re-enactment thereof for the time being in force), the Companies (Appointment and Qualifications of Directors) Rules, 2014, read with Schedule IV to the Act and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements Regulations, 2015 ('Listing Regulations'), as amended from time to time, the re-appointment of Mr. Debnarayan Bhattacharya (DIN : 00033553), as an Independent Director who meets the criteria for independence as provided in Section 149(6) of the Act and the Rules framed thereunder and Regulation 16(1)(b) of the Listing Regulations, and who has submitted a declaration to that effect, and who is eligible for appointment, as an Independent Director of the Company, not liable to retire by rotation, for a second term of 5 (five) years commencing from July 30, 2024 up to July 29, 2029 (both days inclusive), be and is hereby approved."

RESOLVED FURTHER THAT pursuant to Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 and other applicable provisions of the Companies Act, 2013 read with Rules made thereunder (including any amendments thereto or re-enactment thereof, for the time being in force) approval of the Members of the Company be and is hereby accorded for continuation of Directorship of Debnarayan Bhattacharya (DIN : 00033553), as a Non-executive Independent Director of the Company beyond the age of 75 years till the expiry of his second term on July 29, 2029.

Notice (Contd.)

RESOLVED FURTHER THAT the Board or a duly constituted Committee of the Board, be and is hereby authorised to do all acts, deeds, matters, and things as may be deemed necessary and/or expedient in connection therewith or incidental thereto, to give effect to the foregoing resolution "

5. Payment of Commission to Non-Executive Directors of the Company

To consider and if thought fit, to pass with or without modification, the following resolution as a **SPECIAL RESOLUTION**

"RESOLVED THAT pursuant to the provisions of section 197 and other applicable provisions, if any, of the Companies Act, 2013, as amended, approval of the Members be and is hereby accorded for payment of commission at a rate not exceeding 1% of the net profits of the Company computed in the manner as laid down under sections 197 and 198 of the Companies Act, 2013, as amended, in each financial year to the Directors of the Company other than the Managing Director and Executive / Whole Time Directors (apart from payment of sitting fees and reimbursement of expenses incurred for attending the meeting of the Board or the Committee(s) thereof) for a further period of five years w.e.f September 01, 2024 up to August 31, 2029 and that such commission be divided by the Board of Directors of the Company amongst such Director or Directors and/ or any Directors who have ceased to be Directors of the Company during the Financial Year including Alternate Directors, in such a manner or proportion and on such basis as they may in their discretion decide".

6. Ratification of the remuneration payable to the Cost Auditors for the Financial Year ended March 31, 2024

To consider and if thought fit, to pass resolution as an **ORDINARY RESOLUTION**:

"RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s), amendment(s), or re-enactment(s) thereof, for the time being in force), payment of Remuneration of ₹ 0.095 Crores (apart

from reimbursement of out-of-pocket expenses and applicable taxes) to M/s. Kishore Bhatia & Associates, Cost Auditors, Mumbai (Registration No. 00294), who were appointed by the Board of Directors in their meeting held on May 29, 2024 for carrying out Cost Audit of the Company for the Financial Year ended March 30, 2024, be and is hereby approved and ratified."

7. Approval of NOCIL Ltd – Long-Term Incentive Plan (LTIP)

To consider, and if thought fit, to pass the following resolution as a **SPECIAL RESOLUTION**:

"RESOLVED THAT based on the recommendation of the Nomination and Remuneration Committee and approval by the Board of Directors and pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 ('Act') read with the relevant Rules made thereunder, the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 read with all circulars and notifications issued thereunder ('SBEB Regulations'), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the applicable provisions of the Foreign Exchange Management Act, 1999, the Rules and Regulations framed thereunder and any Rules, Circulars, Notifications, Guidelines and Regulations issued by Reserve Bank of India, as amended and enacted from time to time, the relevant provisions of the Memorandum and Articles of Association of the Company and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, consent of the Members of the Company be and is hereby accorded for the introduction and implementation of ' **NOCIL Ltd – Long - Term Incentive Plan**' (hereinafter referred to as "**LTIP**") and authorising the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee, which the

Notice (Contd.)

Board has constituted to exercise its powers including the powers conferred by this resolution and Regulation 5 of the SBEB Regulations and the Listing Regulations) to exercise its powers including the powers conferred by this Resolution to adopt and implement the **LTIP**, the salient features of which are furnished in the Explanatory Statement.

RESOLVED FURTHER THAT consent be and is hereby accorded to the Board to create, offer, issue, grant and allot from time to time, in one or more tranches, not exceeding 85,00,000 [Eighty Five Lacs] Employee Stock Options ('Options') to the eligible employees of the Company, present or future, and to any Director, whether Whole-time Director or not, including a Non-Executive Director as may be decided by the Board and permitted under the SBEB & Listing Regulations [other than employee who is a promoter or person belonging to the promoter group of the Company, Independent Directors and Director(s) holding directly or indirectly more than 10% of the outstanding equity shares of the Company], as determined in terms of the **LTIP**, exercisable into not exceeding 85,00,000 [Eighty Five Lacs] equity shares of the face value of ₹ 10 (Rupee Ten only) each fully paid-up, where one (1) Option would convert into one (1) equity share upon exercise, on such terms and in such manner as the Board may decide in accordance with the provisions of the applicable laws and the terms of **LTIP**.

RESOLVED FURTHER THAT the equity shares so issued and allotted as mentioned hereinbefore shall rank *pari passu* with the existing equity shares of the Company.

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division or other re-organisation, split, change in capital structure of the Company, as applicable from time to time, if any additional Options are granted or equity shares are issued by the Company to the grantees for the purpose of making a fair and reasonable adjustment to the Options granted earlier, the ceiling of total number of Options and equity shares specified above shall be deemed to be increased to the extent of such additional Options granted or equity shares issued.

RESOLVED FURTHER THAT in case the equity shares of the Company are either sub-divided or consolidated, then the number of equity shares to be allotted and the price of acquisition payable by the grantees under the **LTIP** shall automatically stand reduced or augmented, as the case may be, in the same proportion as the face value per equity share shall bear to the revised face value of the equity shares of the Company after such subdivision or consolidation, without affecting any other rights or obligations of the employees who have been granted Options under the **LTIP** and the ceiling in terms of number of shares specified above shall be deemed to be adjusted accordingly.

RESOLVED FURTHER THAT the Board be and is hereby authorised to take requisite steps for listing of the equity shares allotted under the **LTIP** on the Stock Exchanges where the equity shares of the Company are listed in due compliance with SBEB Regulations, Listing Regulations and other applicable laws.

RESOLVED FURTHER THAT the Company shall conform to the accounting policies prescribed from time to time under the SBEB Regulations, Listing Regulations and any other applicable laws and regulations to the extent relevant and applicable to **LTIP**.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds and things, as it may, in its absolute discretion, deem necessary including authorising or directing to appoint merchant bankers, brokers, solicitors, registrars, compliance officer, investors service centre and other advisors, consultants or representatives, being incidental to the effective implementation and administration of the **LTIP** as also to make applications to the appropriate authorities, parties and the institutions for their requisite approvals and all other documents required to be filed in the above connection and to settle all such questions, difficulties or doubts whatsoever which may arise and take all such steps and decisions in this regard.

RESOLVED FURTHER THAT the Board be and is hereby authorised to modify, change, vary, alter, amend, suspend or terminate the **LTIP** at any time subject to



Notice (Contd.)

compliance with applicable laws and regulations and further subject to consent of the Members by way of a Special Resolution to the extent required under SBEB Regulations and to do all such acts, deeds, matters and things as it may deem fit at its absolute discretion for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard and further to execute all such documents, writings and to give such directions and/or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the **LTIP** and do all other things incidental and

ancillary thereto in conformity with the provisions of the Act, SBEB Regulations, the relevant provisions of the Memorandum and Articles of Association of the Company and any other applicable laws in force.

RESOLVED FURTHER THAT based on the recommendation of the Nomination and Remuneration Committee and approval given by the Board, consent of the Members of the Company be and is hereby accorded for cancellation 3,29,800 ungranted options under the Employee Stock Option Scheme -2007 (ESOS-2007) and that the Board be and is hereby authorised to take such steps as may be required in the context."

Registered Office:

Mafatlal House,
H.T. Parekh Marg
Backbay Reclamation, Churchgate,
Mumbai 400 020

Date: May 29, 2024

By Order of the Board
For NOCIL Limited

Amit K. Vyas
Company Secretary

Notice (Contd.)

NOTES

1. Pursuant to the General Circular No- 14/2020 dated April 08, 2020, Circular No- 17/2020 dated April 13, 2020 and General Circular No- 20/2020 dated May 05, 2020 and other subsequent circulars issued in this regard, the latest being General Circular No – 09/2023 dated September 25, 2023 **issued** by the Ministry of Corporate Affairs (MCA) holding of Annual General Meeting (AGM) through Video conferencing (“VC”) / or Other Audio Visual Means (“OAVM”) has been permitted, without the physical presence of the Members at a common venue. **The deemed venue for the AGM will be the Registered office of the Company at Mafatlal House, H.T Parekh Marg, Backbay Reclamation, Churchgate, Mumbai: - 400020.**
2. Pursuant to the provisions of the Companies Act (“the Act”), a Member entitled to attend and vote at the 62nd Annual General Meeting (the /this AGM) is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this 62nd AGM is being held through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the proxy form, attendance slip and route map to the venue of the meeting are not annexed to this notice.
3. Institutional investors, who are Members of the Company, are encouraged to attend the 62nd AGM of the Company through VC/ OAVM mode and vote electronically. Corporate Members are required to send a scanned copy (PDF/JPG Format) of the Board Resolution / Power of Attorney authorising its representatives to attend and vote at the 62nd AGM through VC / OAVM on its behalf pursuant to Section 113 of the Act. **The said Resolution/Authorisation shall be sent to the Scrutinisers namely Parikh & Associates, Practicing Company Secretaries, by email through its registered email address to nocil.scrutinizer@gmail.com with a copy marked to evoting@nsdl.co.in.**
4. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (the Act) setting out the material facts concerning the Special Business under item nos. 4 to 7 of the Notice is annexed hereto.
5. Details under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the **Secretarial Standard – 2** on General Meetings issued by the Institute of Company Secretaries of India (ICSI) in respect of the Directors seeking appointment / re-appointment at the 62nd Annual General Meeting form integral part of this notice.
6. During the 62nd AGM, the Register of Directors and Key Managerial Personnel (KMPs) and their shareholding maintained under Section 170 of the Act, the Register of Contracts or arrangements in which Directors are interested under Section 189 of the Act and the Certificate from Auditors of the Company certifying that the ESOP Scheme of the Company is being implemented in accordance with, the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 shall be available for inspection in the electronic form. Members can request the Company at investorcare@nocil.com by mentioning their name and Folio No. /DP ID and Client ID for the inspection of above-mentioned documents **latest by August 08, 2024 upto 5.00 p.m.(IST)**
7. Members can join the 62nd AGM in the VC/OAVM mode 30 minutes before and after the scheduled time of the commencement of the Meeting, by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 Members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship and Investors’ Grievance Committee, Auditors, etc.
8. The Members attending the 62nd AGM through VC/ OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
9. Pursuant to the provisions of Section 108 of the Companies Act, 2013 (the Act) read with Rule 20 of

Notice (Contd.)

the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended) from time to time, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the 62nd AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorised agency. The facility of casting votes by a Members using remote e-voting system as well as venue voting on the date of the 62nd AGM will be provided by NSDL.

10. Pursuant to sections 101 and 136 of the Act read with the relevant Rules made thereunder and Regulation 36 of the SEBI Listing Regulations read with SEBI Circular SEBI/HO/CFD/PoD-2/P/CIR/2023/167 dated October 07, 2023 **the Notice calling the AGM along with the Annual Report 2023-24 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/ Depositories/RTA .The same has also been uploaded on the Company's website : www.nocil.com; BSE Limited's website : www.bseindia.com ; NSE's website : www.nseindia.com; and the website of National Securities Depository Limited (NSDL). A copy of the Annual Report shall be provided to only those Members who make a specific request in this regard by an email to investorcare@nocil.com mentioning the Folio No. / DPID & Client ID .**
11. Members who would like to express their views/ask questions as speakers at the AGM may pre-register themselves by sending a request from their registered e-mail addresses mentioning their names, DP ID and Client ID/ Folio number, PAN, and mobile numbers at investorcare@nocil.com between Tuesday, July 30, 2024 (09.00 a.m. IST) to Friday, August 02, 2024 (5.00 p.m. IST). **Only those Members who have pre-registered themselves as speakers will be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.**

12. Registration of email ids:

Members holding shares in demat mode, who have not registered their email addresses, are requested to register their email addresses with their respective Depository Participants (D.Ps). Members holding shares in physical mode are requested to update their email addresses with the Company's RTA, KFin Technologies Limited at einward.ris@kfintech.com.

Members may follow the process detailed below for registration of email IDs and updation of Bank Account details for the receipt of dividend.

13. Book Closure:

The Register of Members and the Share Transfer Books of the Company will remain closed from Saturday, July 27, 2024 to Thursday, August 08, 2024 (both days inclusive) for purposes of the 62nd Annual General Meeting to be held on August 08, 2024 and for payment of dividend.

14. Payment of Dividend:

Members may note that the Board, at its meeting held on May 29, 2024, has recommended a final dividend of ₹ 3 per equity share of ₹ 10/- each. The said dividend for the year ended March 31, 2024, if approved by the Members at the 62nd AGM will be paid to those Members whose names appear on the Company's Register of Members on **Friday, July 26, 2024**. In respect of shares held in demat form, the dividend will be paid to the beneficial owners of shares as per details furnished by the Depositories as on **Friday, July 26, 2024**. The said dividend will be paid at par on or **after August 16, 2024**. The dividend will be paid electronically to Members who have updated their Bank Account details.

15. Updation of mandate for receiving dividends directly in Bank Accounts through Electronic Clearing System (ECS) or any other means in a timely manner

Dividends will be paid ONLY by electronic mode to the Members (including those holding physical shares) who have updated their Bank Account details. NO DEMAND DRAFTS/PAY ORDERS WOULD BE ISSUED BY THE COMPANY. Accordingly, Shareholders holding shares in demat form are once again requested

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to submit/Update their Bank Account details and PAN with the respective Depository Participants (DPs) with whom they maintain their demat accounts.

Shareholders holding shares in physical form **are requested to submit written request in the prescribed Form ISR-1 (can be downloaded in the Company's website : www.nocil.com) to update Bank account details as well as PAN to the RTA of the Company, KFin Technologies Limited either by email to ris@kfintech.com or by post to Selenium Tower B, Plot 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500032.**

a) Shares held in electronic form

Members may please note that their bank details as furnished by the respective Depositories to the Company will be considered for remittance of dividend as per the applicable regulations of the Depositories and the Company will not be able to accede to any direct request from such

Members for change/addition/deletion in such bank details. Accordingly, the Members holding shares in demat form are requested to ensure that their DPs update their Electronic Bank Mandate details.

b) Shares held in physical form :

Members are requested to send the following documents in original to RTA :

- i. Form ISR-1 duly filled in and signed by the holders stating their name, folio no. complete address and details of the bank account in which dividend is to be received. The said Form is available on the website of the Company <https://www.nocil.com/investors-download/> Mandatory Furnishing of PAN, KYC details and Nomination by

holders of shares in physical form and on the website of the RTA at www.kfintech.com.

- ii. Original cancelled cheque bearing the name of the Member or first holder, in case shares are held jointly. In case name of the holder is not available on the cheque, kindly submit the following documents:-
 - a. Cancelled cheque in original.
 - b. Bank attested legible copy of the first page of the Bank Passbook / Bank Statement bearing the names of the account holders, address, same bank account number and type as on the cheque leaf and the full address of the Bank branch.
- iii. Self-attested photocopy of the PAN Card of all the holders; and
- iv. Self-attested photocopy of any document (such as Aadhaar Card, Driving License, Election Identity Card, Passport) in support of the address of the Member as registered with the Company.

16. Tax Deduction at source / Withholding tax: - Payment of Dividend

Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of shareholders w.e.f. April 01, 2020, and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, please refer to the Finance Act, 2020 and the amendments thereof. The shareholders are requested to update their valid PAN with the DPs (if shares held in dematerialised form) and the Company/ RTA (if shares are held in physical form).

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Table 1 : RESIDENT SHAREHOLDERS

Category of Shareholder	Tax Deduction Rate	Exemption applicability/ Documentation requirement
Any resident Shareholder (Note Nos iv and v)	10%	<p>Update valid PAN, if not already done, with Depositories (in case of shares are held in the demat mode) and with the Company's Registrar and Transfer Agent - KFin Technologies Limited ('KFin') (in case shares are held in the physical mode). No taxes will be deducted in the following cases -</p> <ul style="list-style-type: none"> If dividend income to a <u>resident Individual Shareholder</u> during 2024-25 does not exceed ₹ 5,000/- (Note ii) If Shareholder is exempted from TDS provisions through any circular(s) or notification(s) and provides an attested copy of the PAN along with the documentary evidence in relation to the same (Note iii)
Submitting Form 15G/ Form 15H	NIL	<u>Resident Individual Shareholder</u> providing Form 15G / Form 15H (applicable to an Individual whose age is 60 years or more during 2024-25) - on fulfilment of prescribed conditions. Blank Form 15G and 15H can be downloaded from the link given at pont no. xv (Note vii)
Order under section 197 of the Act	Rate provided in the order	Lower/NIL withholding tax certificate obtained from Income Tax authorities
Insurance Companies: Public & Other Insurance Companies details to be furnished	NIL	Documentary evidence that the provisions of section 194 of the Act are not applicable. (Note viii)
Corporation established by or under a Central Act which is, under any law for the time being in force, exempt from income-tax on its income	NIL	Declaration that it is a corporation established by or under a Central Act whereby income-tax is exempt and accordingly, is covered under section 196 of the Act, along with self-attested copy of registration certificate and relevant extract of the section whereby the income is exempt from tax.
Mutual Funds specified under clause (23D) of section 10 of the Act	NIL	Declaration that it is Mutual Fund specified under section 10(23D) of the Act and accordingly, is covered under section 196 of the Act, along with self-attested copy of registration certificate or notification.
Alternative Investment Fund ('AIF')	NIL	Declaration that AIF income is exempt under section 10(23FBA) of the Act as it has been granted a certificate of registration as a Category I or Category II AIF under the SEBI (AIF) Regulations, 2012 or under the International Financial Services Centre Authority Act, 2019. Also, to provide copy of registration document (self-attested).
New Pension System ('NPS') Trust	NIL	Declaration that NPS Trust income is exempt under section 10(44) of the Act. Self-attested copy of registration document for establishment of said trust under the Indian Trust Act, 1882 along with self-attested copy of PAN card.

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Category of Shareholder	Tax Deduction Rate	Exemption applicability/ Documentation requirement
Other resident Shareholder without PAN or having Invalid PAN (Note ix and x)	20%	-
Non-filers of income-tax return - section 206AB (Note xi)	20%	Non-compliance casts an obligation on the Company to deduct at higher rate

Table 2: NON-RESIDENT SHAREHOLDERS

Category of Shareholder	Tax Deduction Rate	Exemption applicability/ Documentation Requirement
Any non-resident Shareholder (Note xi)	20% (plus applicable surcharge and cess) or Tax Treaty rate, whichever is lower	<p>Non-resident Shareholders may opt for tax rate under Double Taxation Avoidance Agreement ('Tax Treaty'). The Tax Treaty rate shall be applied for tax deduction at source on submission of following documents to the Company:</p> <ol style="list-style-type: none"> Copy of PAN Card, if any, allotted by the Indian authorities Self-attested copy of Tax Residency Certificate valid as on the Record Date, obtained from the tax authorities of the Country of which the Shareholder is resident. Copy of electronically filed Form 10F on Income Tax Portal Self-declaration confirming not having a Permanent Establishment in India and eligibility to Tax Treaty benefit. Self-declaration regarding 'Principal Purpose Test' (if any) as applicable to respective Treaty. Self-declaration as regards beneficial ownership <p>In case of Foreign Institutional Investors, Foreign Portfolio Investors, self-attested copy of certificate of registration accorded under the relevant regulations of the SEBI.</p> <p>TDS shall be deducted at 20% (plus applicable surcharge and cess), if any, if the above-mentioned documents are not provided.</p>
Submitting Order under section 197 of the Act	Rate provided in the Order	Lower/NIL withholding tax certificate obtained from Income Tax authorities

Notes:

- In due compliance with the applicable provisions of the Act, the Company will be issuing certificate for tax deducted at source in Form 16A. The credit for tax deducted at source can also be verified by the Shareholder by verifying Form 26AS, after the statement of tax deducted at source is furnished by the Company and thereafter Annual Information Statement (Form 26AS) is updated.
- In cases where the dividend payout in respect of final dividend for F.Y. 2023-24 does not exceed ₹ 5,000/- but after considering further dividend payouts during the F.Y. 2024-25, if the aggregate dividend pay-out exceeds ₹ 5,000/- then, from the subsequent payment of dividend, the tax on the current as well as on earlier amount of dividend will be deducted and accordingly, the balance amount of dividend will be paid to the concerned Individual Shareholder.

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- iii. Reference is drawn to Circular No. 18/2017 dated May 29, 2017, issued by the Government of India, Ministry of Finance, Department of Revenue, Central Board of Direct Taxes as regards requirement of TDS in case of entities whose income is exempt under section 10 of the Act .
- iv. In case dividend income under the provisions of the Act is chargeable to tax in hands of any other person other than the Registered Shareholder, then, a declaration to that effect is required to be submitted in terms of section 199 of the Act read with Rule 37BA of the Income Tax Rules, 1962. On such submission, the Company will deduct tax in the name of such person, which would be due compliance of law on the part of the Company.
- v. Shareholders holding shares under multiple accounts under different status / category and single PAN, may note that, higher of the tax as applicable to the status in which shares held under a PAN will be considered on their entire holding in different accounts.
- vi. In cases where the status of a shareholder is appearing in the Company's records as resident as well as non resident against different folios /D.P ID – Client ID , the Company would treat the status of the shareholder as “ Non Resident “. Accordingly, tax will be deducted at the rate applicable to a non – resident based on documents made available to the Company
- vii. The Company, in compliance with the provisions of the Act, will allot unique identification number and the declarations will be furnished along with the statement of deduction of tax to the income tax authority (**Form 15H/15G**).
- viii. Insurance companies: The Life Insurance Corporation of India, The General Insurance Corporation of India, The National Insurance Company Limited, The New India Assurance Company Limited, The Oriental Insurance Company Limited, The United India Insurance Company Limited and any other insurer, as per section 2(28BB) of the Act. In case of any other insurer, self-attested copy of registration is to be furnished. If shares are not owned but have full beneficial interest, then, a declaration to that effect.
- ix. Needless to mention, PAN will be mandatorily required. **In absence of PAN / Valid PAN, tax will be deducted at a higher rate of 20% as per section 206AA of the Act even if the amount of dividend is ₹ 5,000 or below.**
- x. TDS to be deducted at higher rate in case of non-filers of Return of Income as per section 206AB of the Act which requires the Company to deduct tax at higher of the following rates in case of a 'specified person':
 - a) At twice the rate specified in the relevant provision of the Act; or
 - b) At twice the rates or rates in force; or
 - c) At the rate of 5%; or
 - d) At the rate of 20%, if section 206AA is applicableThe term 'specified person' means a person who :
 - has not filed return of income for the assessment year relevant to the previous year immediately prior to the previous year in which tax is required to be deducted, for which the time limit of filing return of income under sub-section (1) of section 139 has expired; and
 - is subjected to tax deduction/collection at source in aggregate amounting to ₹ 50,000/- or more in the said previous year.A non-resident who does not have a permanent establishment is excluded from the scope of a specified person. Accordingly, non-resident shareholders are requested to provide declaration if they do not have permanent establishment and hence should not be considered as specified person.

The Income Tax Department has through the reporting portal utility, made available the list of 'specified person' for the purpose of section 206AB which shall be obtained at the time of deduction of TDS and accordingly, for those Shareholders who are classified as a specified person under section 206AB, TDS on the dividend amount will be deducted at higher rate of 20%.
- xi. The provisions of the tax treaty rate shall be applied even if tax is deductible under section 196D. Therefore, under both sections i.e. section 195/196D, the treaty

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provisions can be applied, subject to submissions of documents as mentioned above. However, the Company is not obligated to apply the Tax Treaty rates at the time of tax deduction/withholding on dividend amounts, if the completeness of documents submitted by the non-resident Shareholder is not to the satisfaction of the Company, including not in accordance with the provisions of the Act. The Company, in compliance of section 195 of the Act, will furnish information relating to the payment of dividend and deduction of tax at source thereon in Form 15CA by the Company and 15CB by a Chartered Accountant, as applicable.

- xii. In case tax on dividend is deducted at a higher rate in the absence of receipt of the aforementioned details / documents, the concerned Shareholder would still have the option of claiming refund of the excess tax deducted at the time of filing the income tax return. No claim shall lie against the Company for such taxes deducted.
- xiii. The above is only to facilitate the Shareholder so that appropriate TDS is deducted on the dividend amount in accordance with the applicable provisions of the Act.
- xiv. Further, it may be noted that:
 - In terms of section 139A of the Act, it is mandatory to quote PAN if tax is deductible on the dividend amount at source under section 194 of the Act. Such non-quoting shall attract penalty of ₹ 10,000/- under section 272B of the Act.
 - SEBI has mandated the submission of PAN by every participant in the securities market.
- xv. **The following formats can be downloaded from the Company's website: <https://www.nocil.com/investors-download/>**
 - a) Circular No. 18/2017 dated May 29, 2017
 - b) Beneficial ownership declaration (Rule 37BA(2))
 - c) Form15H
 - d) Form 15G
 - e) Declaration from insurance companies

- f) Declaration from Corporation established by or under a Central Act
- g) Declaration from Mutual Funds
- h) Declaration from Alternative Investment Fund
- i) Form 10F
- j) Declaration from Non-resident

17. Unclaimed/Unpaid Dividends

Members are requested to note that pursuant to the provisions of Section 125 (2) of the Companies Act, 2013 (the Act), the dividend remaining unclaimed / unpaid for a period of seven years from the date it becomes due for payment shall be credited to the Investor Education and Protection Fund (IEPF) set up by the Central Government, Members who have so far not claimed the dividends are requested to file their claims with the Company immediately as no claim shall lie against the Company in respect of individual amounts once credited to the said IEPF.

Due dates for transferring unclaimed and unpaid dividends declared by the Company are as under:

Financial Year ended	Date of declaration of dividend	Due date of transfer of unclaimed & unpaid Dividend
March 31, 2017	July 27, 2017	September 02, 2024
March 31, 2018	July 25, 2018	August 31, 2025
March 31, 2019	July 30, 2019	September 05, 2026
March 31, 2020*	March 06, 2020	April 12, 2027
March 31, 2021	August 03, 2021	September 09, 2028
March 31, 2022	July 28, 2022	September 03, 2029
March 31, 2023	July 31, 2023	September 06, 2030

*Interim Dividend declared for 2019-20

- a) Attention of the Members is also invited towards the provisions of Section 125 of the Companies Act, 2013 (the Act) read together with IEPF (Accounting, Audit, Transfer and Refund) Amendment Rules, 2017 which requires the companies to also transfer the Equity shares corresponding to the Dividend which has remained unclaimed and consequently unpaid for a period

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of seven consecutive years or more. Members are requested to refer to para on 'Transfer of Unpaid Dividend and corresponding Equity Shares to the Investor Education and Protection Fund (IEPF)' in the Directors' Report for the F.Y. 2023-24. **Members wishing to claim dividends that remain unclaimed are requested to correspond with Mr. Vagolu Ratna Babu, KFin Technologies Limited, Unit: NOCIL Limited, Selenium Tower B, Plot 31-32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad 500 032. Members are requested to note that dividends that are not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will be transferred to the Investor Education and Protection Fund ("IEPF"). Shares on which dividend remains unclaimed for seven consecutive years shall be transferred to IEPF as per Section 124 of the Act, read with applicable IEPF Rules.**

- b) Members are requested to address all correspondence, including dividend-related matters, to Mr. Vagolu Ratna Babu, KFin Technologies Limited, Unit: NOCIL Limited, Selenium Tower B, Plot 31-32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad 500 032.

18. Updation of PAN and other details

SEBI has, vide its Circular No. SEBI/HO/MIRSD/ MIRSD_ RTAMB/P/ CIR/2021/655 dated November 03, 2021 and subsequent Circulars issued in this regard, mandated to furnish PAN, KYC details (i.e. full address with pin code, mobile no., email id, bank details) and Nomination details by holders of physical securities through Form ISR-1.

SEBI has, vide its Circular dated November 17, 2023, done away with the provision regarding freezing of folios that have not registered their PAN, KYC and Nomination details.

The Company has sent individual letters to all the Members holding shares of the Company in physical

form for furnishing their PAN, KYC and Nomination details. Members holding shares of the Company in physical form are requested to go through the requirements on the website of the Company at <https://www.nocil.com>

19. Dematerialisation of shares

Shares held in dematerialised form have several advantages over shares held in physical mode. Physical certificates are always prone to risks of 'theft, 'misappropriation', 'loss in transit,' 'damage or defacement' due to natural or other factors, 'misplacement' etc. Apart from the several benefits of holding shares in the dematerialised mode, **it is important for shareholders to refer to the following regulatory directions, which make it imperative for shareholders to hold shares in dematerialised mode:**

20. As per amended Regulation 40 of the SEBI (LODR) Regulations, 2015, transfer of shares in listed entities is permitted to be processed only in dematerialised mode w.e.f April 01, 2019.

Further, Members may please note that SEBI has mandated listed companies to issue securities in demat form only while processing any service requests viz. issue of duplicate securities certificate; claim from Unclaimed Suspense Account; renewal/exchange of securities certificate; endorsement; sub-division/ splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4 / ISR-5. It may be noted that any service request or complaint can be processed only after the folio is KYC compliant.

The aforesaid forms can be downloaded from the website of the Company and RTA at: www.nocil.com and www.kfintech.com.

You are requested to forward the duly filled in documents along with the related proofs as mentioned in the respective forms by post to the following address:

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**Kind Attn: Mr. Vagolu Ratna Babu, Asst. Vice President
KFin Technologies Limited**

Unit: NOCIL Limited

Selenium Tower B, Plot No. 31&32, Financial district,
Nanakramguda,

Serilingampally Mandal, Hyderabad – 500 032

E-mail: einward.ris@kfintech.com

Alternatively, the said documents/ details (scanned)
can be mailed through your registered email to
einward.ris@kfintech.com

**In view of the above developments/directions it is in
the interest of shareholders holding shares in physical
mode to immediately take steps to dematerialise their
shares.**

21. Nomination facility for Members

As per Section 72 of the Companies Act , 2013 (the
Act), Members are entitled to make nomination in
respect of shares held by them. Members may send
a written request in the **prescribed forms** (given in the
table here-below) to the RTA of the Company, KFin
Technologies Limited either by email to einward.ris@kfintech.com
or by post to Selenium Tower B, Plot 31 &
32, Financial District, Nanakramguda, Serilingampally
Mandal, Hyderabad – 500032.

For nomination as provided in the Rules 19 (1) of Companies (Share capital and debenture) Rules, 2014	Form SH-13
Declaration to opt out	Form ISR-3
Cancellation of nomination by the holder(s) (Along with ISR-3) / Change of Nominee	For SH-14

**The above referred Forms SH-13, ISR-3 & SH-14
can be downloaded from the Company's website:
www.nocil.com**

22. SEBI has established a common **Online Dispute
Resolution Portal ('ODR Portal')** for resolution of
disputes arising in the Indian Securities Market.
Pursuant to this, post exhausting the option to
resolve their grievance with the RTA / the Company
directly and through existing SCORES platform, the
investors can initiate dispute resolution through the
ODR Portal (<https://smartodr.in/login>) and the same

can also be accessed through the Company's Website
at www.nocil.com .

23. Members holding shares in physical form, in identical
order of names, in more than one folio are requested
to send to the Company's RTA, KFin Technologies
Limited, the details of such folios together with the
share certificates and self- attested copies of PAN Card
of the holders for consolidating their holding in one
folio .Request for consolidation of share certificates
shall be processed in dematerialised forms.

24. INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING: -

- The remote e-voting period commences on
**Monday, August 05, 2024 at 09:00 am (IST) and
ends on Wednesday, August 07, 2024 at 05:00
pm (IST)**. The remote e-voting module shall be
disabled by NSDL for voting thereafter .During
this period, the Members of the Company, holding
shares either in physical form or in dematerialised
form, as on the cut-off date, i.e **August 01, 2024**,
may cast their vote by remote e-voting.
- The Members who have casted their vote by
remote e-voting prior to the AGM may also attend
the AGM **but shall not be entitled to cast their
votes thereat again on such resolutions**.
- In case of Joint holders the Member whose name
appears as the first holder in the order of names
as per the Register of Members of the Company
will be entitled to vote at the 62nd AGM.
- Once the vote on a resolution is cast by the
member, such member shall not be allowed to
change it subsequently.
- The Board of Directors has appointed Mr. P.
N. Parikh (FCS 327, CP 1228) or failing him,
Mr. Mitesh Dhabliwala (FCS 8331, CP 9511)
or failing him Ms. Sarvari Shah (FCS 9697, CP
11717) of Parikh and Associates, Company
Secretaries as Scrutiniser to scrutinise the voting
at the AGM and remote e-Voting process, in a fair
and transparent manner.
- The Chairman shall, at the AGM, at the end of
discussion on the resolutions on which voting is
to be held, allow voting, by use of e-Voting system

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for all those Members who are present during the AGM but have not cast their votes by availing the remote e-Voting facility. The e-Voting module during the AGM shall be disabled by NSDL for voting 15 minutes after the conclusion of the Meeting.

7. The Scrutiniser shall, after the conclusion of voting at the AGM, first count the votes cast during the Meeting and, thereafter, unblock the votes cast through remote e-Voting, in the presence of at least two witnesses not in the employment of the Company and shall make, not later than two working days from the conclusion of the AGM, a Consolidated Scrutiniser's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same and declare the result of the voting forthwith.

The Results declared, along with the Scrutiniser's Report, shall be placed on the Company's website www.nocil.com and on the website of NSDL www.evoting.nsdl.com, immediately after the declaration of the result by the Chairman or a person authorised by him in writing. The results shall also be immediately forwarded to the Stock Exchanges where the Company's Equity Shares are listed viz. BSE and NSE and be made available on their respective websites viz. www.bseindia.com and www.nseindia.com.

8. A person who is not a member as on cut-off date should treat this Notice for information purpose only.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on Monday , August 05 2024 (9.00 a.m. IST), and ends on Wednesday , August 07, 2024 (5.00 p.m. IST) The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Thursday, August 01, 2024, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Thursday, August 01, 2024.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system




A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 09, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> 1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on the Company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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Type of shareholders	Login Method
	<ol style="list-style-type: none"> If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on the Company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. NSDL Mobile App is available on  App Store  Google Play  
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by the Company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

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Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on the Company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
- A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

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5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on **"Forgot User Details/Password?"** (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of the Company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

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General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutiniser by e-mail to nocil.scrutinizer@gmail.com with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 or send a request to (Name of NSDL Official) at evoting@nsdl.com.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to investorcare@nocil.com
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of

Aadhar Card) to investorcare@nocil.com . If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**

3. Alternatively, shareholder/Members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 09, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE 62nd AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the 62nd AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the 62nd AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the 62nd AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the 62nd AGM. However, they will not be eligible to vote at the 62nd AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the 62nd AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE 62nd AGM THROUGH VC/OAVM ARE AS UNDER:

1. Members will be provided with a facility to attend the 62nd AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL**

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e-Voting system. After successful login, you can see link of “VC/OAVM” placed under “**Join meeting**” menu against the Company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/ Member login where the EVEN of The Company will be displayed. Please note that the Members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

Annexure to the Notice

EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 102 OF THE COMPANIES ACT, 2013:

Item No.4: Re-appointment of Mr. Debnarayan Bhattacharya (DIN: 00033553) as an Independent Director a second term of five (5) years

Mr. Debnarayan Bhattacharya was appointed as an Independent Director for a period of 5 years w.e.f. July 30, 2019 at the 57th Annual General Meeting of the Members of the Company held on July 30, 2019. His existing first term therefore expires on July 29, 2024.

Based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors of the Company at its meeting held on May 29, 2024, has appointed Mr. Debnarayan Bhattacharya as an additional Director (in the capacity of an Independent Director), pursuant to Section 161 of the Companies Act, 2013 with effect from July 30, 2024. As per the provisions of said section, Mr. Debnarayan Bhattacharya holds office as Additional Director up to the date of the forthcoming 62nd Annual General Meeting convened on August 08, 2024 and is required to be appointed as an Independent Director for a second term of five (5) consecutive years w.e.f. July 30, 2024 up to July 29, 2029 at the said 62nd Annual General Meeting.

Mr. Debnarayan Bhattacharya has given his consent for re-appointment for a second term of five (5) consecutive years beginning from July 30, 2024 and ending on to July 29, 2029.

As per Sections 149 and 152 of the Act and the Rules framed thereunder, a person can be appointed /reappointed as an Independent Director subject to approval of the Members by way of a Special Resolution to be passed at the next General meeting or within a period of three months from the date of appointment, whichever is earlier. Accordingly, approval of the Members is being sought for the re- appointment of Mr. Debnarayan Bhattacharya as an Independent Director of the Company at the ensuing 62nd Annual General Meeting convened on August 08, 2024.

The Company has, in terms of Section 160(1) of the Act received in writing a notice from a Member, proposing his candidature for the office of Director.

A brief profile of Mr. Debnarayan Bhattacharya as required under Regulation 36(3) of the Listing Regulations with the Stock Exchanges, is given in Annexure A to this Explanatory Statement.

In the opinion of the Board, Debnarayan Bhattacharya fulfils the conditions prescribed in the Act and the Rules framed thereunder and the Listing Regulations and is independent of the Management.

In terms of Regulation 17(1A) of the Listing Regulations, effective from April 01, 2019 consent of Shareholders by way of Special Resolution is required for appointment/re-appointment or continuation of directorship of an Independent Non-Executive Director, beyond the age of 75 years. Mr. Debnarayan Bhattacharya completed the age of 75 years during his first term of 5 years (July 30, 2019 to July 29, 2024) and the approval accorded by the shareholders by way of a Special Resolution at their 57th Annual General Meeting had duly captured this aspect.

Mr. Debnarayan Bhattacharya has already attained the age of 75 years as on present date and hence approval of the Members is required for the continuation of his Directorship till the expiry of his second term till June 29, 2029. The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail the support, guidance and contributions of Mr. Debnarayan Bhattacharya as an Independent Director. Accordingly, the Board recommends passing of the Special Resolution for the approval by the Members of the Company.

Pursuant to Regulation 17(1C) of SEBI Listing Regulations, approval of shareholders is being sought within a period of three months from the date of appointment.

The Board of Directors, based on the recommendation of the Nomination and Remuneration Committee and considering Mr. Debnarayan Bhattacharya's business knowledge, acumen, skills set, background and rich experience, opines that his association as an Independent Director will be immensely beneficial to the Company and recommends to the Members, the re-appointment of Mr. Debnarayan Bhattacharya as an Independent Director of the Company for a second term of 5 (five) years.

Except Mr. Debnarayan Bhattacharya, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested (financially or otherwise) in the resolution.

Item No.5: Payment of Commission to Non-Executive Directors of the Company

Under the provisions of section 197 of the Companies Act, 2013 as amended, the Company is entitled to pay commission to the Non-Executive Directors not exceeding

Annexure to the Notice (Contd.)

1% of the Net Profits of the Company by passing a Special Resolution. The Members of the Company had at their Annual General Meeting held on July 30, 2019 accorded approval for payment of commission of 1% of the Net Profits Company computed in accordance with the provisions of Section 198 of the Companies Act, 2013 to be paid and distributed amongst the Directors of the Company other than the Managing Director and the Whole-time Director(s) for a further period of 5 (five) years with effect from September 01, 2019 up to August 31, 2024. **This time frame of 5 (five) years was laid down by the Members as a good governance measure.**

Considering the valuable contributions brought to the Board by the Non-Executive Directors it is now proposed that commission not exceeding 1% p.a. of the Net Profits of the Company computed in accordance with the provisions of Section 198 of the Companies Act, 2013 be paid and distributed amongst the Directors of the Company including Directors who have ceased to be Directors(s) of the Company during the Financial Year and Alternate Directors, other than the Managing Director and the Whole-time Director(s) of the Company for a further period of 5 (five) years with effect from September 01, 2024 up to August 31, 2029. This proposal has the recommendation of the Nomination and Remuneration Committee and so also been approved by the Board. Payment of commission will be in addition to the sitting fees for attending the meetings of the Board / Committees. The Board recommends the Resolution for approval of the Members.

Mr. H. A. Mafatlal, Executive Chairman (being related to Mr. Priyavrata H. Mafatlal, Non-Executive Director), shall be deemed to be concerned or interested in the resolution to the extent of the entitlement of commission of Mr. Priyavrata H. Mafatlal, Non-Executive Non-Independent Director. All other Independent Directors and Non-Executive Non-Independent Directors of the Company may be deemed to be concerned or interested in the resolution to the extent of their respective payment of commission. None of the Key Managerial Personnel of the Company and / or their relatives are concerned or interested (financially or otherwise) in the Resolution.

Item No.6: Ratification of the remuneration paid to the Cost Auditors

Pursuant to Sections 142 and 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors)

Rules, 2014, the Members of the Company are required to approve and ratify the payment of remuneration of ₹ 0.095 Crores per annum and reimbursement of out-of-pocket expenses and taxes as may be applicable to the Cost Auditors as considered and approved by the Board of Directors in their meeting held on May 29, 2024 for the Financial Year 2024-25.

The Board recommends the resolution as an **Ordinary Resolution** for the approval of the Members.

None of the Directors and Key Managerial Personnel of the Company and /or their relatives are deemed to be concerned or interested in the resolution.

Item No.7: Approval of NOCIL Ltd -Long Term Incentive Plan (LTIP)

As an important organisational initiative to drive long term business deliverables, it is proposed to formulate a Long-term incentive Plan (LTIP) in form of an Equity based compensation Plan for eligible employees of the Company in pursuance of the total rewards philosophy based on external benchmarking and designing. The proposed LTIP apart from being an effective tool to recognise and reward talent is also expected to motivate and retain talent as an Incentive. The underlying objective being to encourage employees for contribution to corporate growth and to create an employee ownership culture. In this regard the Company had engaged a globally established H.R consultancy firm as its external partner to advise the Company on broad perspective of current LTIPs v/s the emerging market trend along with their recommendations for NOCIL. After considering all inputs and presentations on the various aspects, facets, and options of a viable LTIP, the Nomination & Remuneration Committee (NRC) of the Board at its meeting held on May 29, 2024 made suitable recommendations for the formulation and adoption of a suitable LTIP to the Board of Directors which approved the same at its meeting held on June 19, 2024 (subject to final approval of the Members/Shareholders at the ensuing 62nd Annual General Meeting).

Under the proposed LTIP it is proposed grant options aggregating to 85,00,000 shares of ₹ 10/- each in form Employees Stock Options (ESOPs) and Performance Restricted Stock Units (PRSUs) to eligible employees as per the discretion of the Nomination & Remuneration Committee (NRC) to be empowered in this regard.

Annexure to the Notice (Contd.)

As per the provisions of Section 62(1)(b) of the Companies Act, 2013 read with Rule 12 of the Companies (Share capital & Debentures) Rules 2014 and Regulation 6 of the SBEB Regulations, the Company seeks approval of the Members for the adoption and implementation of the LTIP, salient features of which are set out here-below in terms of Regulation 6 of the SBEB Regulations :

No	Features	Details
1	Brief description & rationale	<p>As an important organisational initiative to drive long term business deliverables, it is proposed to evolve the scheme in line with our total rewards philosophy and thus it is proposed to radically modify and revamp the total rewards philosophy which would encompass a <u>Long-term incentive Plan (LTIP) based</u> on externally benchmarking and designing accordingly. Equity based compensation Plans/schemes apart from being an effective tool to recognise and reward talent are also critically important to motivate and retain talent as an Incentive. The underlying objective being to encourage employees for contribution to corporate growth and to create an employee ownership culture.</p> <p>The NRC shall administer the LTIP. All questions of interpretation of the LTIP shall be determined by the NRC and such determination shall be final and binding upon all the persons having an interest in the LTIP.</p>
2	Total number of Options being considered for grant under LTIP	<p>Proposed grant of options aggregating to 85,00,000 shares of ₹ 10/- each on the following basis:</p> <p>The grant of Options will be contingent upon achievement against targets of the annual operating plan of the organisation governed by the performance management system of the organisation</p> <p>(i) <u>Grant of Employees Stock Options (ESOPs) to eligible employees:-</u> As a retention award to attract and retain key people. The vesting for ESOPs will be dependent upon continuous employment of employees at the time of vesting.</p> <p>(ii) <u>Grant of Performance Restricted Stock Units (PRSUs) to eligible employees:</u> As a performance award to incentivise attainment of the long-term strategic objectives. It is contingent on achievement of performance conditions. The vesting for PRSUs will be contingent on achievement against target performance of long term financial and strategic goals of the organisation which will be finalised by NRC from time to time.</p> <p>The Nomination & Remuneration Committee to be empowered to determine the segregation of the Options under the two categories viz ESOPs & PRSUs.</p>
3	Identification of categories of eligible employees	<p>Subject to determination and selection by the NRC, the following classes of employees / Directors are eligible :</p> <p>(i) A designated employee working in India or outside India.</p> <p>(ii) A Director in whole time employment who is not a promoter or member of the Promoter Group.</p> <p>But shall not include :-</p> <p>(i) an Employee who is a Promoter or belongs to the Promoter Group ;or</p>

Annexure to the Notice (Contd.)

No	Features	Details
		<p>(ii) A Director who either by himself or through his relatives or through any Body Corporate directly or indirectly holds more than 10% of the outstanding equity shares of the Company; or</p> <p>(iii) An Independent Director</p> <p>The Nomination & Remuneration Committee (NRC) to be empowered to determine the grades/eligibility of the employees to entitle them for the grant of Options under the two categories.</p>
4	Requirement of Vesting and maximum period of vesting	<p><u>In case of ESOPs:</u> - All the Options granted on any date shall vest not earlier than the minimum vesting period of 1 (one) year and subsequently the vesting happens in equal proportions every year for the period of 3 years from the grant date (Uniform Grading system). The vesting for ESOPs will be dependent upon continuous employment of employees at the time of vesting.</p> <p><u>In case of PRSUs:</u> - Complete vesting happens at the end of three years only from the grant date. The vesting for PRSUs will be contingent on achievement against target performance of long term financial and strategic goals of the organisation which will be finalised by NRC from time to time.</p> <p>The vesting dates and relative percentages would be determined by the NRC and may vary from employee to employee or any class of category thereof. The grant of the shares will happen upon achievement against targets of the annual operating plan of the organisation governed by the performance management system of the organisation.</p> <p>Vesting of Options would be subject to continued employment with the Company. A grantee who has tendered his/her resignation and is serving the Notice period after such resignation then such Notice period shall not be considered for vesting and all unvested Options as on date of the resignation shall be cancelled forthwith.</p> <p>Provided that in case of retirement, all unvested Options as on date of retirement would continue to vest in accordance with the original vesting schedules unless otherwise determined by the NRC in accordance with the Company's Policies and the applicable provisions of the then prevailing Law(s).</p> <p>In the event of death or permanent incapacity of an employee, the minimum vesting period shall not be applicable and in such instances all the unvested Options shall vest with effect from the date of the death or permanent incapacity.</p>
5	Exercise price or pricing formula	<p>The proposed pricing formula has been worked out as under:</p> <p><u>For ESOPs:</u> The exercise price per Option shall be the latest available closing market price of the equity shares of the Company prior to the date of the grant. However, the exercise price per Option shall not be less than the face value of the equity shares of the Company viz ₹ 10 /- per share.</p> <p><u>For PRSUs:</u> The exercise price per Option shall be at face value of the equity shares of the Company viz ₹ 10/- per share. NRC is empowered to finalise the price with the flexibility of range between face value and closing market price.</p>

Annexure to the Notice (Contd.)

No	Features	Details
6	Exercise period and process	<p>For ESOPs : 10 years from grant date.</p> <p>For PRSUs : 5 years from grant date.</p> <p>The vested Options shall be exercisable by the grantees by following a procedure to be prescribed by the Nomination & Remuneration Committee (NRC), Exercise of Options shall be entertained only after payment of the requisite exercise price and satisfaction of the applicable taxes by the grantee. The Options shall lapse if not exercised within the specified exercise period . Lapsed Options cannot be reissued by the Company.</p>
7	Appraisal process for determining eligibility of employees under LTIP	<p>The appraisal process for determining the eligibility of the employees will be worked out by the Nomination & Remuneration Committee (NRC). Basically, the process would be based on position, sector, designation, period of service, performance linked parameters etc. and other factors as may be determined by the NRC.</p>
8	Maximum number of Options to be issued per employee and in the aggregate	<p>The maximum number of Options that may be granted to an employee in any year and in the aggregate shall not exceed the number of Options as may be stipulated by the NRC.</p>
9	Maximum quantum, of benefits to be provided to an eligible employee	<p>The maximum quantum of benefits that will be provided to any eligible employee under the LTIP will be the difference between the market value of the Company's shares on the Stock Exchanges as on the date of exercise of the Options and the exercise price paid by the employee.</p>
10	Whether LTIP is to be administered through a Trust or directly by the Company by way of issuance of new shares	<p>The LTIP shall be administered and implemented directly by the Company .</p>
11	The amount of loan to be provided for implementation of the scheme(s) by the Company to the trust, its tenure, utilisation, repayment terms, etc.;	<p>Not applicable.</p>
12	Maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the trust for the purposes of the scheme(s)	<p>Not applicable.</p>

Annexure to the Notice (Contd.)

No	Features	Details
13	Accounting and disclosure Policies	The Company shall follow the IND AS 102 on share-based payments and/or any relevant accounting Standards note as may be prescribed by the Institute of Chartered Accountants of India or any other competent authority from time to time including the disclosure requirements prescribed therein, in compliance with the Regulation 15 of the SBEB Regulations.
14	Method of valuation of the Options by the Company	The Company shall adopt the fair valuation method for the valuation of the Options, as prescribed under IND AS 102 on share-based payments or any accounting Standards guidance note, as applicable, notified by the competent authorities from time to time.
15	In case the company opts for expensing of share based employee benefits using the intrinsic value, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognised if it had used the fair value, shall be disclosed in the Directors' report and the impact of this difference on profits and on earnings per share ("EPS") of the Company shall also be disclosed in the Directors' report	The said statement is not applicable to the Company since the Company is opting for Fair Value Method.
16	Lock in period	The shares issued pursuant to exercise of vested Options shall not be subjected to any Lock in period.
17	Performance Financial year from which applicable	Performance Year:- 2024-25 onwards.
18	Cancellation of ungranted options under the Employee Stock Option Scheme -2007 (ESOS-2007).	Cancellation of 3,29,800 ungranted options under the Employee Stock Option Scheme -2007 (ESOS-2007).
19	Terms & conditions for buyback, if any, of specified securities covered under these regulations.	Not applicable.

Annexure to the Notice (Contd.)

Additional Information relating to Director recommended for reappointment, as required under Regulation 36 of the LODR Regulations and the applicable Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI)

ORDINARY BUSINESS- Item No- 3) Appointment of a Director in place of Mr. Anand V.S (DIN: **07918665**), who retires by rotation and being eligible, offers his candidature for re-appointment.

In terms of the Ordinary Resolution passed by the shareholders at their 61st Annual General Meeting held on Monday, July 31, 2023 Mr. Anand V.S was appointed as the Managing Director for a period of five (5) years with

effect from August 01, 2023 up to July 31, 2028. Mr. Anand was made liable to retire by rotation under section 152 of the Companies Act, 2013, subject to the condition that if re-appointed as a Director immediately on retirement by rotation, he shall continue to hold his office as Managing Director and such reappointment as a Director shall not be construed as a break in his appointment as the Managing Director. Mr. Anand shall therefore serve his term in accordance with the said approval granted by the shareholders and his contractual obligations with the Company. Mr. Anand's remuneration and other terms and conditions are being governed within the overall limits of remuneration approved by the shareholders at their said 61st Annual General meeting held on July 31, 2023.

Registered Office:

Mafatlal House,
H.T. Parekh Marg
Backbay Reclamation, Churchgate,
Mumbai 400 020

Date: May 29, 2024

By Order of the Board
For NOCIL Limited

Amit K. Vyas
Company Secretary

Annexure to the Notice (Contd.)

Annexure A

Particulars of the Directors seeking appointment / re-appointment at the ensuing Annual General Meeting pursuant to Regulation 36(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

Name	Mr. Anand V.S.	Mr. Debnarayan Bhattacharya
DIN	07918665	00033553
Date of Birth	May 05, 1974	September 13, 1948
Category / Designation	Managing Director	Independent Director
Age	50 years	75 Years
Date of Appointment/Reappointment	August 01, 2023	July 30, 2024
Qualifications	<ul style="list-style-type: none"> BE in Chemical Engineering from Siddaganga Institute of Technology, Bangalore. PGDM in Marketing from MDI Gurgaon. 	<ul style="list-style-type: none"> B. Tech (Hons.), Chemical Engineering, IIT Kharagpur. Bachelor of Science (Hons.), Chemistry, Presidency College, Kolkata.
Expertise in Specific Functional Areas	General Management. <ul style="list-style-type: none"> Sales & Marketing. Strategy. 	Mr. Bhattacharya has more than 40 years of corporate experience in Strategy, Management, Administration, Technical Operations, etc.
Date of first appointment on the Board	March 02, 2022	May 10, 2019
Terms & conditions of appointment or re-appointment.	Refer Explanatory Statement	Appointment as an Independent Director for a period of 5 years from July 30, 2024 to July 29, 2029
Details of remuneration sought to be paid and the remuneration last drawn.	Refer Explanatory Statement	Eligible for sitting fees and commission, as approved by the Board
Details of Remuneration last Drawn	Refer Explanatory Statement	Eligible for sitting fees and commission, as approved by the Board
Number of Board Meeting attended during the year	Six out of six meetings held during F.Y. 2023-24	Six out of six meetings held during F.Y. 2023-24
Number of shares held in the Company, including shareholding as a beneficial owner*	Nil	Nil
Directorship held in other listed entities*	--	--
Details of Listed Entities from which the person has resigned in the past three years.	--	- Hindalco Industries Ltd. - Vodafone Idea Ltd.
Membership / Chairmanship of Committees*	Member: <ul style="list-style-type: none"> Risk Management Committee CSR Committee Stakeholder Relationship Committee 	Member: <ul style="list-style-type: none"> Audit Committee Risk Management Committee NRC Committee
Disclosure of relationship with another Director, Manager and KMP	Mr. Anand V.S. is not related to any Director / Key Managerial Personnel of the Company.	Mr. Debnarayan Bhattacharya is not related to any Director / Key Managerial Personnel of the Company.

*As per disclosure received by the Company.

Directors' Report

Dear Members,

Your Board of Directors are pleased to present their Board Report together with the Audited Financial Statements of the Company for the financial year ended March 31, 2024.

Financial Summary

Particulars	(₹ In Crores)	
	Financial year ended March 31, 2024	Financial year ended March 31, 2023
Total Revenue	1,444.67	1,616.57
Profit before Interest, Depreciation & Tax	230.24	256.28
Less: Interest	1.62	1.19
Less: Depreciation	51.47	54.39
Profit before tax	177.14	200.70
Less: Tax Expenses	45.79	52.02
Net Profit after tax	131.35	148.68
Earnings per share of face value of ₹ 10 each -Basic	7.88	8.92
Earnings per share of face value of ₹ 10 each -Diluted	7.85	8.89

Performance of the Company

During the year under review both the domestic and global economies faced a mix of challenges and opportunities, shaped by various geopolitical and socio-economic factors. Though the domestic economy continues to show resilience, the global economies continue to be looming under the recessionary pressures.

Given the ongoing uncertainties, your Company had to maintain a balanced approach by strategically managing both price and volume; thereby resulting in a modest growth of 2% in volumes for the year but for a price drop of over 12%. The de-growth in revenues of around 11% from ₹ 1,611 Crores in FY 2022-23 to ₹ 1,437 Crores in FY 2023-24; was both in domestic as well as in the international markets.

Your Company remains committed to its ethical business strategy, ensuring that all customers receive top-quality products and services promptly.

Domestic Market

Your Company recorded a Net Domestic turnover of ₹ 965 Crores for the year under review. Our deep engagement with

customers and our supply reliability continue to hold us in good stead in the domestic market.

China being the largest manufacturer and market for rubber chemicals accounts for about 80% of world's rubber chemical production and consumes about 35% of the rubber chemicals, resulting in exportable surplus. The subdued demand in international markets, including China itself, has resulted in surge in supply from China thereby exerting pressure on volume and price dynamics both in the domestic and international markets. India, being the third largest market for rubber chemicals and in absence of any trade barriers, is exposed to continual aggressive dumping in finished goods as well as its penultimate intermediates.

Exports

Despite the challenging environment, it is worthwhile to note that our continuous efforts to bolster our export business has started yielding positive traction. We have almost clocked a double-digit volume growth on an annual basis in exports despite the current circumstances. It is important to highlight that though the latex part of our exports business has remained flat owing to the prevailing market conditions in Malaysia, our non-latex products business has developed on a positive trajectory.

On the revenue front we recorded a turnover of ₹ 473 Crores as against ₹ 491 Crores thereby registering a drop of 4%.

Global customers continue to value the strengths and capabilities of your Company. The capacities on hand, will enable your Company to leverage growth opportunities to fulfil its long-term vision of doubling its market share in the global space.

We believe that the +1 strategy with a One-stop shop offering continues to be an important differentiator for NOCIL when our customers look for security of supply chain from a medium to long term perspective.

Operations

The production of all products was aligned with the large marketing conditions prevalent due to the slowdown during a large part of the year.

On the inputs front for most part of the year, the raw material largely derived its price trends from crude/benzene. We continue to build stronger association with local supplier/

Directors' Report (Contd.)

developing new suppliers to help secure volumes with cost advantages and lower lead time. Operation excellence measures resulted in an overall reduction of utilities costs during the year.

Projects

There are a few ongoing capital expenditures regarding environmental aspects as well as some de-bottlenecking initiatives taken by your Company. We have capitalised such initiatives of ₹ 27.62 Crores during the financial year 2023-24 and expect to complete few other projects in the next financial year.

With an aim to achieve its long-term objective, your Company has announced a capex program towards enhancement of its capacity for an amount not exceeding ₹ 250 Crores duly approved by the Board.

This capex is in-line with your Company's overall objective of establishing NOCIL as a strong global rubber chemicals partner to the rubber industry.

The funding for this project is largely through internal accruals.

Finance Rating

During the year under review, the Company judiciously utilised its resources and consequently, generated cash profits for the whole year and in effect was not required to utilise any fund based working capital facilities for most part of the year. The Company has therefore remained debt free.

The Credit Ratings Agencies CARE and CRISIL Limited have reaffirmed ratings as CARE AA (Double A) (Stable) and CRISIL AA for long term Bank Facilities (Term loan as well as Fund Based facilities) and CARE A1+ (A One plus) and CRISIL A1+ (stable) rating for short term Non-Fund Bank facilities, respectively.

Insurance

The Company has taken all the necessary steps to insure its properties and insurable interests, as deemed appropriate and as required under the various legislative enactments. There were no major incidents or accidents to warrant Insurance claims during the year under review.

Dividend Policy

In terms of Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 as amended, the Board of Directors have duly approved and adopted a Dividend Distribution Policy attached as **Annexure "G"**. The said Policy is also available on the Company's website, the weblink of which is as under:

<https://www.nocil.com/wp-content/uploads/2023/11/Dividend-Distribution-Policy-2018.pdf>

Dividend Pay-out

The Board of Directors at their meeting held on May 29, 2024 recommended a dividend of ₹ 3 per Equity share of the face value of ₹ 10/- each to be paid to those shareholders whose names appear in the Register of Members of the Company or in the records of Depositories as beneficial owners of Equity Shares as on July 26, 2024.

This is subject to approval of the shareholders at the forthcoming 62nd Annual General Meeting convened on August 08, 2024. The cash outflow on account of dividend (if approved) will involve a sum of ₹ 49.99 Crores (Previous year ₹ 49.99 Crores) which will be utilised from the Free Reserves prevailing as on the date of the 62nd Annual General Meeting.

Dividend in case of non-KYC compliant Folios:

Shareholders may kindly note that pursuant to SEBI Circular SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023 effective April 01, 2024, dividend payments shall be withheld in case of shares held in physical mode where any of the KYC details viz PAN, choice of Nomination, Contact details, Mobile number, Bank details and Specimen signatures are not updated as on the record date for payment of dividend viz July 26, 2024. Further, pursuant to SEBI Circular- SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023, an intimation in this regard has been sent to the shareholders holding shares in physical mode on May 31, 2024 about the need for updation of KYC details. Shareholders are requested to update the KYC details by submitting the relevant ISR forms duly filled in along with self-attested supporting proofs. The forms can be downloaded from the websites of the Company and the RTA.

Directors' Report (Contd.)

Transfer of Unpaid Dividend and corresponding Equity Shares to the Investor Education and Protection Fund (IEPF)

Pursuant to the applicable provisions of the Companies Act, 2013, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the IEPF Rules"), all unpaid or unclaimed dividends are required to be transferred by the Company to the Investor Education and Protection Fund (IEPF); established by the Government of India, after completion of seven (7) years from the date it became due for payment. Further, according to the IEPF Rules, the shares on which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall also be transferred to the demat account of the IEPF Authority.

The total amount lying in the Unclaimed Dividend Account of the Company as on March 31, 2024 in respect of the last seven years from FY 2016-17 to FY 2022-23 is ₹ 3.73 Crores.

During the year under review, all unclaimed / unpaid dividend up to FY 2015-16 amounting to ₹ 0.43 Crores have been transferred to the Investor Education and Protection Fund and unclaimed / un-encashed dividend for the FY 2016-17 paid on July 27, 2017, are due for transfer to IEPF on September 02, 2024. As per the IEPF Rules, as amended, the due date for transfer of Equity Shares in respect of Dividend pertaining to the Financial Year 2015-16 was September 02, 2023. The Company had intimated the concerned Shareholders (individually) and also published requisite notices in the newspapers intimating the shareholders about the impending transfer and the procedure for claiming the same.

In compliance with the Amended Rules, during the year, the Company has transferred 1,78,484 Equity shares to the designated demat account opened by IEPF Authority with NSDL through Punjab National Bank, owned by those shareholders holding shares both in dematerialised form as well as physical form, who had not encashed their Dividend for a period of 7 years or more beginning from the Financial Year 2015-16. The shares held in demat/physical mode were transferred during September 2023.

The Company has also uploaded the details of the shareholders whose shares were liable to be transferred to IEPF on its website viz., www.nocil.com.

The nodal officer for the purpose of Compliances relating to IEPF is Mr. Amit K. Vyas, Assistant Vice-President (Legal) & Company Secretary of the Company. The details of the same are mentioned on the website of the Company. The web link is as under.

https://www.nocil.com/information-for-shareholders/#unclaimed_dividend

Fixed Deposits

Your Company does not accept deposits from public, and hence there are no outstanding/unclaimed deposits as of March 31, 2024.

Health, Safety and Environment (HSE)

HSE has always been a core value of the Company and a top priority in all its manufacturing and all other business activities leading towards long term sustainability of the Company.

Safety is paramount when dealing with hazardous chemicals and processes. We encourage a high level of awareness of safety issues among our employees, including contract employees, and strive for continuous improvement. Employees are trained in safe practices to be followed at the workplace. High emphasis is placed on laid down policies, systems, and procedures. Reporting of 'Near Miss Incidents' and its investigation and unique practice of '**Safety Attitude Encouragement**' (SAE) rounds by the Operations team helped build a very strong safety culture across the organisation over the years. With a view to improve the safety culture, measurable Key Performance Indicators (KPIs), Leading Indicators and Lagging Indicators are reviewed in monthly Environmental, Health, and Safety (EHS) Review Meetings which are chaired by Managing Director of the Company. No reportable incident is recorded during the year.

We are one of the leading members of Local and District Crisis Group and have earned reputation amongst society around and statutory authorities for prompt support during Disaster Management events. The Company conducts scheduled mock drills for emergency scenarios with the active involvement of its staff and occasionally, in the presence of external stakeholders.

Process Safety Management is an essential part of risk assessment using HAZOP / HAZAN / PSSR / LOPA

Directors' Report (Contd.)

techniques. All Plant changes, modifications, new project implementation etc undergo risk assessment studies before implementation.

Environment protection and adherence to pollution control norms is of high concern for your Company. Through research, innovation, and responsible manufacturing practices, we strive to reduce greenhouse gas emissions, conserve water resources, and reduce energy consumptions. We have a program in place for waste management using the **3Rs Strategy (Reduce, Reuse & Recycle)** techniques. Novel Effluent Treatment techniques are employed at our state-of-the-art Dahej plant. A team of R&D scientists are exclusively focusing on **Green Chemistry** and Environmental Research.

Regular workplace monitoring is carried out for Volatile Organic Compounds (VOC), Boiler and Process Stack emissions, Noise and Illumination levels, Ambient Air Quality, to ensure safe and healthy work environment.

The Company was audited for **Responsible Care (RC)** certification by a team of experts from the Indian Chemical Council (ICC) in the month of November 2023, and the ICC was pleased to **renew the Responsible Care certification for a further period of three years i.e. from February 2024 to January 2027. NOCIL is one of the only 83 companies in India that holds certification for 'Responsible Care' – the Global Chemical Industry's initiative, focussed on Environmental, Health, and Safety (EHS) improvements since 2018. The renewal of its Responsible Care certification demonstrates the Company's dedication to conserving energy, preserving natural resources, preventing pollution, and safeguarding the well-being of individuals.**

A well-equipped Occupational Health Centre (OHC) at all the manufacturing facilities carries out regular and periodic medical check-up of all categories of employees and counselling sessions are held, individually and in groups, to increase the health awareness amongst them. Health Awareness programmes were conducted during the year on relevant topics of Lifestyle Changes, Heart ailments etc.

Total Quality Management (TQM)

NOCIL continues to focus on Total Quality Management (TQM) practices to improve competitiveness in the business and is one of the prime enablers for growth. By

implementing TQM, the Company gets improved access to global markets, higher customer retention levels, less time required to develop new innovations, and a reputation as a quality firm. TQM is an integral part of the business from sourcing of inputs to meeting the customer's needs.

The Company has established management systems and processes in line with global business standards at each step and built on continual improvement recommendations emanating from various audits by customers and certifying agencies.

Your Company is certified for ISO 9001:2015 (Quality Management System), ISO 14001: 2015 (Environment Management System), ISO 45001: 2018 (Occupational Health & Safety Management System), IATF 16949:2016 (Automotive Quality Management System) and ISO 50001: 2018 (Energy Management System).

Quality Assurance and Marketing Technical Service laboratories at Navi Mumbai are accredited as per ISO 17025:2017 which increases customer confidence in our test certificates.

The Company has implemented sustainability frameworks to reduce GHG emissions and mitigate wasteful spending while streamlining processes to be more efficient. The Company has disclosed climate change data on **CDP (Carbon Disclosure Project)** platform to build trust through transparency and respond to rising environmental concerns among the public and has also signed a near term commitment with **SBTi (Science Based Targets initiative)** with the objective to systematically chalk out a roadmap & actions to reduce overall emissions and to prevent the worst impact of climate change.

Sustainability Initiatives: - Integration of Environmental, Social & Governance (ESG) principles into the Company's Operations

In its pursuit of attaining **Sustainability Goals**, the Company is successfully integrating **ESG parameters** in its operations. This strategic approach aims to leverage any potential opportunities stemming from enhanced environmental management, improved social performance, and strengthened governance principles. The Company's '**ESG Charter**' is formulated to assist the Board and Management in their oversight responsibilities, concerning critical

Directors' Report (Contd.)

issues. These include **Climate change crisis, protection of Human Rights, DE&I, Occupational Health & Safety, and other ESG aspects** that are relevant and material to the Company. Furthermore, the Company is fully aware of the environmental ramification of its business. It also recognises the importance of social and governance factors in building a sustainable and effective investment strategy. Moreover, the Company remains dedicated to maximising the value for all stakeholders by incorporating strategies that attach prime importance to environmental Sustainability, while concurrently upholding Human Rights and Governance parameters. In sync with this approach, the Company's ESG programme considers Sustainability as one of its strongest pillars and also encompasses broader Social and Corporate Governance aspects for greater good. By adopting and implementing a strong and meaningful ESG programme, the Company has been able to establish clear environmental goals aimed at reducing its carbon footprint, determining sourcing strategies, and laying a foundation for waste reduction initiatives. From the social impact lens, the Company strives to create a meaningful diversity programme, enhance employee well-being, and leave a lasting impact on the community. A strong governance foundation coupled with firmly rooted business ethics has enabled the Company to enhance stakeholder transparency and protect privacy.

The Business Responsibility & Sustainability Report (BRSR)

In compliance with SEBI circular SEBI/HO/CFD/CMD-2/P/CIR/2021/562 dated May 10, 2021, **the Company came out with its first BRSR for the FY 2022-23.**

The BRSR seeks disclosures from listed entities on their performance against the **Nine (9) Principles of the 'National Guidelines on Responsible Business Conduct' (NGBRCs)** and reporting under each principle is divided into essential and leadership indicators. The BRSR is intended towards having quantitative and standardised disclosures on ESG parameters to enable comparability across Companies, sectors.

The BRSR format was further amended by SEBI Circular SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated July 12, 2023 vide which the report is now termed as **BRSR Core – which is a sub set of the BRSR** consisting of a set of

Key Performance Indicators (KPIs) /metrics under the Nine (9) ESG attributes. The Company forms part of the list of the top one thousand (1000) Companies based on market capitalisation (as on March 31, 2024) and is mandatorily required to prepare a **BRSR Core** as a part of the Annual Report for the FY 2023-24.

The Company has accordingly prepared **the Business Responsibility & Sustainability Report Core** as a separate section which forms part of the Annual Report 2023-24. As a proactive measure towards its Sustainability measures, the BRSR Core of the Company has been subjected to a **'Limited Assurance'** by TUV-SUD. An Independent Assurance Statement furnished by TUV-SUD is also annexed to the **BRSR Core**.

The Company's efforts to achieve best Sustainability Standards have been recognised by the following prestigious awards:

- (i) **The Company's Sustainability Report 2022-23 won the coveted LACP Award (PLATINUM) – Best Report in Chemicals sector.** This is a global level recognition accorded to NOCIL's Sustainability Report by the **League of American Communications Professionals LLC (LACP)** which has conferred the coveted **LACP Award (PLATINUM)** for being the **Best Sustainability Report** in the Chemicals sector.
- (ii) The Company also bagged 3 awards for **Best Sustainability Initiatives** in 2023 at the **2nd India Sustainability Conclave and Awards 2023 on November 02, 2023** under the aegis of **Transformance Business**
- (iii) The Company was selected as a winner at the India Risk Management Awards at CNBC-TV18 India Risk Management Awards Season 10 (category – **REGULATORY COMPLIANCE MANAGEMENT - Mid-Cap**) This prestigious award recognises the exceptional achievements of the organisation in the field of Regulatory Compliance Management (as a part of its Risk Mgt initiatives).

Research & Development

The Research & Development (R&D) Centre of your Company, works with a vision to develop products and innovate process technologies in rubber chemical manufacture with

Directors' Report (Contd.)

a focus on customer's current & emerging requirements and to create a sustainable future. The strategic objective of the R&D Centre of the Company is to develop and create a one-stop solution for all rubber chemicals by broadening the product range and to fulfil the requirement of China Plus One strategy. The R&D Centre of NOCIL is dedicated towards your Company's motto '**The Ethics of Excellence**' without compromising on product quality, consistency, and customer satisfaction. The R&D Centre of NOCIL focuses on the principles of **Green Chemistry, Green Engineering, Sustainability, Carbon Neutrality, 3Rs Strategy (Reduce, Reuse & Recycle)**, 4.0 to develop environmentally safe, greener, and cost-effective manufacturing processes and products. Your Company R & D Centre has state-of-the-art facilities for research in Rubber Chemicals & their application in Rubber articles and a team that includes experienced R&D scientists, chemists, engineers/technologists, taking relentless effort to excel in the development of newer technologies to improve the manufacturing processes. They aim to fulfil the Company's vision to be a global, customer-focused, and innovative organisation in the field of rubber chemicals. The R&D Centre of your company is recognised by the Department of Scientific and Industrial Research (DSIR), Ministry of Science & Technology, Govt of India.

The R&D team of your Company is actively involved in collaborative research work to explore newer research domains with India's premier research and academic institutes such as the Indian Institute of Technology-Madras; the Institute of Chemical Technology- Mumbai and the University of Mumbai.

The focus of the R&D Centre of NOCIL is on the following areas:

- Continual assessments of new-generation technologies, evaluate their adaptability for product and process, perform improvements in the current manufacturing processes to enhance productivity, production capacity, improve product quality, process economics, and reduce the carbon and water footprint of manufacturing processes and products.
- Develop improved, sustainable & patented process technologies for existing products and intermediates and also new generation Rubber Chemicals to broaden the product portfolio.

- Development of niche intermediates, customised and sustainable products by exploring innovative technologies and renewable resources to fulfil the requirements of customers and business sustainability.
- Development of cleaner, cost-effective and innovative manufacturing processes, and environmental technologies in line with the current and future sustainability needs and implementation of the **3Rs Strategy (Reduce, Reuse & Recycle)** in product and process improvements.
- Support the technologies for debottlenecking of plants and those in the stage of expansion to reduce manufacturing costs, improve atom economy, and improve overall productivity.

Relentless and continuous efforts of the R&D Centre of NOCIL to improve in the above-mentioned areas have resulted in reduction of raw material usage and carbon and water footprint, an increase in product capacity, new products, and the development of improved cleaner and safer process technologies. Our R&D initiatives have helped to continually improve and ensure long-term business sustainability in rubber chemicals and explore new business segments and portfolios.

Risk Assessment and Management

The Company has a well-defined Risk Management System in place, as a part of its good Corporate Governance practices and considers Risk Management to be fundamental to good management practice and a significant aspect of Corporate Governance. Effective management of Risk has enabled the Company to minimise the adverse effects of such risks encountered from time to time thereby ensuring that the achievement of the Company's strategic and operational objectives is not significantly altered. The purpose is to identify and review past events / incidents and implement changes to prevent or reduce future undesirable incidents. Your Company aims to use Risk Management to take better informed decisions and improve the performance thereby achieving its strategic and operational objectives. To address any risk factors that may arise on account of the regulatory changes/amendments as applicable to the

Directors' Report (Contd.)

Company are being followed and monitored closely. The Company has adopted a Risk Management Policy (the Policy) and formed a Risk Management Committee (the Committee) in accordance with the provisions of the Act and Regulation 21 of the SEBI (LODR) Regulations, 2015. In terms of the Policy, the Committee reviews on a periodic basis the Risks relating to **Enterprise Risk Management (ERP) – Sustainability, Business Continuity Process Technology updates, Competitor Action Plans, Cyber/I/T related Risks, Forex risks, Legal & Statutory Compliances, Human Capital and Succession Planning, Exploration of diversification opportunities in related areas of strength from time to time to ensure that business vulnerabilities are not dependent on a single segment, Investment Proposals under implementation and to take corrective action wherever necessary to minimise time and/or cost overruns.**

The Company has also appointed a **Chief Risk Officer (CRO)** who is a dedicated functionary conversant with the intricacies of business operations and the associated risks for ensuring control and monitoring of the implementation of the Policy. The CRO does not simultaneously hold or lead any specialised full-fledged function which would result in conflict with his role as CRO. The composition of the Risk Management Committee (RMC), its terms of reference and number of Committee meetings held during the year are given in the Corporate Governance Report. Group/Function Heads who are accountable for the allocated risks are invited to the Committee meetings for presentations wherein they highlight the measures taken towards handling the risks.

The Board also reviews on a quarterly basis a *Risk Assessment Statement* which captures the overall assessment, control assessment and responsibility with a rating on a scale of 1 to 5, in respect of *Handling of Hazardous materials, Regulatory compliance, Power outages, Volatility of availability and Process of raw materials, Equipment failure, Risk of flooding of Plants during Monsoon, Patent infringement, Adverse changes in Global /National economic and political scenarios, Logistic disruptions, Frauds, Inadequate I.T support, Non amicable labour relations etc*

The Risk Management Policy has been uploaded on the Company's website. The link for accessing the said Policy

is given here below:

<https://www.nocil.com/wp-content/uploads/2023/11/NOCIL-RISK-MANAGEMENT-POLICY.pdf>

Internal Control Systems and their Adequacy

Adequate internal controls, systems, and checks are in place and are commensurate with the size of the Company and the nature of its business. The Management exercises financial control on the Company's operations through a well-defined budget monitoring process and specifying standard operating procedures. Your Company has appointed an external professional agency M/s. Aneja Associates, Chartered Accountants, to conduct the internal audit, and the findings and recommendations of the Internal Auditors are placed before the Audit Committee of your Board periodically.

The Internal Auditors monitor and evaluate the efficacy and adequacy of internal controls in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of internal auditors, the Management undertakes corrective action in the respective areas and thereby further strengthens the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board. The Audit Committee of the Board ensures that necessary corrective actions suggested are put in place. In addition, during the year under report, the Audit Committee and the Board have specifically reviewed the Internal Financial Controls with reference to the Financial Statements and process prevalent in the Company. On a case-to-case basis, the Board also engages the services of professional experts in the said field, to ensure that adequate financial controls and systems are in place. At the end of a period, the Managing Director, and the Chief Financial Officer (CFO) give a declaration in the prescribed format to certify that the financial statements prepared are accurate and complete in all aspects and that there are no significant issues that can impair the financial performance of the Company.

Ethical Code of Conduct and compliance with Policies thereunder

Your Company has adopted an **Ethical Code of Conduct (the Code)** for ensuring the highest degree of **Transparency,**

Directors' Report (Contd.)

Accountability, Integrity, and Social Responsibility.

Any potential or actual violation of the Code is viewed very seriously by the Company and disciplinary action is taken thereon. The Company has formulated a **Vigil Mechanism & Whistle Blowing Policy** as part of the **Ethical Code of Conduct**, which lays down a mechanism for reporting of any instances of *frauds, unethical conduct, conflict of interests, non-compliance with legal provisions, misuse of Company's assets or funds, falsification of records/accounts, Misuse of Unpublished Price sensitive information viz Insider Trading, Instances of discrimination or unfair labour practices, engagement of Child labour etc.*

All the employees have been sensitised on the imperative need to comply with the said **Ethical Code of Conduct** by way of deployment of impactful **e-learning modules** in the form of short films based on the real-life scenarios and backed by the NOCIL 's core Policies. The said e-learning modules also have an in-built mechanism for mandatory online testing to ensure that the Code is understood and complied in letter and spirit by all the employees. The said e-learning modules cover the *Policies on Anti-corruption/ Anti-Bribery, Vigil mechanism/Whistle blower, social media, Gift prohibition, Conflict of interest, Diversity, Equity & Inclusion, and anti- Discrimination etc)*

There have been no instances of Whistle blowing during the year under review.

This Policy has been uploaded on the website of the Company and the link for accessing the same is given below: https://www.nocil.com/wp-content/uploads/2024/01/Vigil_Mechanism_Whistle_Blower_Policy-2.pdf

Policy on Prevention of Sexual Harassment of Women at Workplace

Your Company is an equal employment opportunity Company and is committed to creating a healthy and safe working environment that enables Employees, Agents, Contractors, Vendors and Partners to work without fear of prejudice, gender bias and sexual harassment. The Company also believes that all employees have the right to be treated with dignity. Sexual harassment at the workplace or other than workplace if involving employees is a grave offence and is, therefore, punishable. The Company has therefore adopted and implemented a '**Policy on Prevention**

of Sexual Harassment' (POSH Policy) with the objective to provide protection against the sexual harassment of women at workplace and for prevention and redressal of complaints of sexual harassment and for matters connected therewith. This Policy is subject to and in pursuance of **Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules framed there under**. In accordance with the said Act and the POSH Policy, the Company has formed an **Internal Committee (IC)** to manage the process of enquiry and redressal of complaints. The Company is regularly conducting training programs for all the employees (whether on regular or on contracts and whether permanent or temporary) across its Plants, Head office and the Regional Offices to sensitise and educate them about the acceptable and non-acceptable behaviour with respect to female employees. In this regard the Company deployed an e-learning module (devised by an external professional software developer on POSH) which not only trained the employees, but also subjected them to online testing to verify the level of understanding of the Policy for ensuring compliance in letter and spirit.

During the year under review, no complaints were received under POSH. This Policy has been uploaded on the Company's website and is accessible on the below link:

<https://www.nocil.com/wp-content/uploads/2023/11/Policy-on-Prevention-of-Sexual-Harrasment.pdf>

Number of Board Meetings

The Board of Directors met six (6) times during the financial year under review as per details stated in the Corporate Governance Report.

Details of Committee Meetings

Audit Committee Meeting

The members of Audit Committee met four (4) times during the financial year under review as per the details stated in the Corporate Governance Report.

Nomination & Remuneration Committee Meeting

The members of Nomination & Remuneration Committee met three (3) times during the financial year under review as per the details stated in the Corporate Governance Report.

Directors' Report (Contd.)

Stakeholders' Relationship and Investors' Grievance Committee

The members of Stakeholders' Relationship and Investors' Grievance Committee met once during the financial year under review as per the details stated in the Corporate Governance Report.

Risk Management Committee

The members of Risk Management Committee met two (2) times during the financial year under review as per the details stated in the Corporate Governance Report.

Corporate Social Responsibility Committee

The members of Corporate Social Responsibility Committee met three (3) times during the financial year under review as per the details stated in the Corporate Governance Report.

Composition of Audit Committee:

The total strength of the Audit Committee is five (5) Directors all of whom are Independent. The norms require at least 2/3rd of the members to be Independent Directors.

The composition of the Audit Committee is given below:

Name of Members	Category
Mr. D.N. Mungale – Chairman	Independent Director
Mr. Rohit Arora	Independent Director
Mr. Vilas R. Gupte	Independent Director
Mr. P. V. Bhide	Independent Director
Mr. Debnarayan Bhattacharya	Independent Director

During the year under review, all the recommendations made by the Audit Committee were accepted by the Board.

Board Evaluation

Pursuant to the applicable provisions of the Companies Act, 2013, as amended from time to time and Regulations 17 and 25 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, of individual Directors as well as the evaluation of the working of its Audit, Nomination & Remuneration, and other Committees. The various criteria considered for evaluation of Whole Time / Executive Directors included qualification,

experience, knowledge, commitment, integrity, leadership, engagement, transparency, analysis, decision making, governance etc. The Board commended the valuable contributions and the guidance provided by each Director in achieving the desired levels of growth. This is in addition to evaluation of Non-Independent Directors and the Board as a whole by the Independent Directors at their separate meeting being held every year.

Declaration by Independent Directors

As required under Section 149(7) of the Companies Act, 2013, read with Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Independent Directors have placed the necessary declaration of their independence in terms of the conditions laid down under Section 149(6) of the Companies Act, 2013, as amended, at the Board Meeting held on Wednesday, May 29, 2024. Further, pursuant to the Companies (Appointment and Qualification of Directors), Rules, 2014 as amended, the said declaration also includes a confirmation to the effect that the Independent Directors have included their names in the Database maintained by the Indian Institute of Corporate Affairs, and they have paid the necessary fees for the said registration.

Familiarisation Programmes for the Independent Directors

The Company provides suitable familiarisation programmes to Independent Directors to help them familiarise with the nature of the industry in which the Company operates and the business model of the Company in addition to regular presentation on expansion plans and their updates, technical operations, marketing and exports and financial statements. In addition to the above, Directors are periodically advised about the changes effected in the Corporate, Listing Regulations about their roles, rights, and responsibilities as Directors of the Company. There is a regular interaction of Directors with the Key Management Personnel (KMPs) of the Company. The details of the familiarisation programme have been disclosed and updated from time to time on the Company's website and its web link is: <https://www.nocil.com/wp-content/uploads/2024/06/Familiarization-Programme-for-IDS.pdf>

Directors' Report (Contd.)

Directors' Responsibility Statement

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134 (3)(c) of the Companies Act, 2013:

- (a) That in the preparation of the Annual Financial Statements for the year ended March 31, 2024, the Indian Accounting Standards (Ind AS), the provisions of the Companies Act, 2013, as applicable and guidelines issued by the Securities and Exchange Board of India (SEBI) have been followed along with proper explanations relating to material departures, if any.
- (b) That such accounting policies as mentioned in Note 1 forming part of the Financial Statements have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent to give a true and fair view of state of affairs of the Company as of March 31, 2024.
- (c) That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (d) That the annual financial statements have been prepared on a going concern basis.
- (e) That proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- (f) That proper systems are devised to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.
- (g) That all the applicable Secretarial Standards have been complied with by the Company during the year under review.

The above assessment of the Board was further strengthened by periodic review of internal controls by both the internal as well as the external auditors.

Remuneration policy

The Company has amended the Remuneration Policy as per recommendation of the Nomination and Remuneration Committee. The weblink of the Policy is: <https://www.nocil.com/wp-content/uploads/2023/11/Remuneration-Policy.pdf>

Related Party Transactions

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

As per the Related Party Transactions Policy, approved by the Board of Directors of the Company, during the year under review, the Company has entered into related party transactions based upon the omnibus approval granted by the Audit Committee. The Audit Committee reviewed such transactions on quarterly basis for which omnibus approval was given.

Particulars of contracts or arrangements with related parties as referred to in Section 188(1) of the Companies Act, 2013 along with the disclosures as mentioned in Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in the prescribed form AOC-2 for the F.Y. 2023-24 are given in **Annexure "F"**.

The current Related Party transactions (RPT) policy has been uploaded on the Company's website and the weblink of the Policy is as under:

<https://www.nocil.com/wp-content/uploads/2023/11/Policy-on-Related-Party-Transaction.pdf>

Loans, Guarantees or Investments

Particulars of loans, guarantees or investments under Section 186 of the Companies Act, 2013, are given in the Notes forming part of Financial Statements for the year ended March 31, 2024.

Directors' Report (Contd.)

Annual Return

The Annual Return of the Company for 2023-24 in Form MGT-7 pursuant to the provisions of the Act and Rules made thereunder, is available on the Company's Website at <https://www.nocil.com/wp-content/uploads/2024/07/Annual-Return-2023-24.pdf>

Subsidiary Company, Associates and Joint Ventures

PIL Chemicals Limited, (PIL), a Wholly Owned Subsidiary (WOS) of your Company has recorded a Total Income of ₹ 21.36 Crores and Profit before Tax of ₹ 4.39 Crores, for the year under review. The Board of Directors of PIL declared an Interim Dividend of ₹ 1.80/- per share and had recommended final dividend of ₹ 1.20 /- per share. (Previous year Dividend was ₹ 1.45/- per share).

The Company does not have any material subsidiary, however, the Company has formulated a policy for determining material subsidiary(ies) and such policy has been disclosed on the Company's website and its weblink is <https://www.nocil.com/wp-content/uploads/2023/11/Policy-on-Material-Subsidiaries.pdf>

Pursuant to the requirements of Regulation 34 (3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the details of Loans /Advances made to, and investments made in the Subsidiary have been furnished in Notes forming part of the Accounts.

A statement containing the salient features of the financial statements of the Company's Wholly Owned Subsidiary under the provisions of section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014 has been annexed in prescribed **Form AOC - 1**.

Further, the Company does not have any joint venture or associate companies during the year or at any time after the closure of the year and till the date of the report.

Consolidated Financial Statements

Consolidated Financial Statements are prepared by the Company in accordance with the applicable Indian Accounting Standards (Ind AS) issued by the Ministry of Corporate Affairs and the same together with Auditors' Report thereon form part of the Annual Report. The financial statements have been prepared as per Division II

of Schedule III issued by the Ministry of Corporate Affairs vide its Notification dated April 06, 2016 as amended from time to time.

Personnel

The relations, during the year, between the employees and the Management of your Company continued to be cordial.

Your Directors wish to thank all the employees for their continued support and co-operation during the year under review.

Stock Options

In terms of your approval, read with the SEBI (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999, as amended, the details required to be provided under the said Guidelines are set out in **Annexure "C"** to this Report.

Introduction of "NOCIL Ltd- Long-term Incentive Plan 2024 (LTIP)"

As an important organisational initiative to drive long term business deliverables, it is proposed to seek approval of the shareholders at the 62nd Annual General Meeting for the adoption and implementation of the **LTIP** in form of an Equity based compensation Plan for eligible employees of the Company.

The proposed **LTIP** apart from being an effective tool to recognise and reward talent is also expected to motivate and retain talent as an Incentive. The underlying objective being to encourage employees for contribution to corporate growth and to create an employee ownership culture.

Under the proposed **LTIP** it is proposed grant options aggregating to 85,00,000 shares of ₹ 10/- each in form Employees Stock Options (ESOPs) and Performance Restricted Stock Units (PRSUs) to eligible employees as per the discretion of the Nomination & Remuneration Committee (NRC) to be empowered in this regard

Particulars of Employees

The information required under section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 in respect of employees of the Company is provided in **Annexure "E"**.

Directors' Report (Contd.)

Appointment/Reappointment of Directors and Key Managerial Personnel

During the year under review Ms. Radhika Haribhakti (DIN - 02409519) has been appointed as an Independent Director for a period of 5 years with effect from August 01, 2023, and her appointment was approved by the shareholders by passing Special resolution (through Postal Ballot) on September 22, 2023.

Mr. Ramesh Iyer (DIN - 00220759) and Mr. Sujal Shah (DIN - 00058019) have been appointed as an Independent Directors for a period of 5 years with effect from November 02, 2023 and their appointments have also been approved by the shareholders by passing Special resolutions (through Postal Ballot) on December 22, 2023.

Mr. Rohit Arora (DIN - 00445753), Mr. D.N. Mungale (DIN - 00007563) and Mr. P.V. Bhide (DIN - 03304262) cease to be Independent Directors of the Company on June 29, 2024, **upon completion of their second term**. Ms. Dharmishta Raval (DIN - 02792246) would cease to be an Independent Director of the Company on July 22, 2024, **upon completion of her second term**. The Board would like to place on record its deep appreciation for the valuable guidance and significant contributions made by Mr. Rohit Arora, Mr. PV Bhide, Mr. D.N Mungale and Ms. Dharmishta Raval during their tenure as Independent Directors with the Company.

Mr. Debnarayan Bhattacharya (DIN - 00033553) was appointed as an Independent Director for a period of 5 years w.e.f. July 30, 2019 at the 57th Annual General Meeting of the Members of the Company held on July 30, 2019 and hence his existing first term expires on July 29, 2024. Based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors of the Company at its meeting held on May 29, 2024, has appointed Mr. Debnarayan Bhattacharya as an Additional Director (in the capacity of an Independent Director), pursuant to Section 161 of the Companies Act, 2013 with effect from July 30, 2024. As per the provisions of said section, Mr. Debnarayan Bhattacharya holds office as Additional Director up to the date of the forthcoming 62nd Annual General Meeting convened on August 08, 2024 and is required to be appointed as an Independent Director for a second term of five (5) consecutive years w.e.f July 30, 2024

up to July 29, 2029 at the said 62nd Annual General Meeting. Mr. Debnarayan Bhattacharya has given his consent for re-appointment for a second term of five (5) consecutive years beginning from July 30, 2024 and ending on July 29, 2029. As per Sections 149 and 152 of the Act and the Rules framed thereunder, a person can be appointed /reappointed as an Independent Director subject to approval of the Members by way of a Special Resolution to be passed at the next General meeting or within a period of three months from the date of appointment, whichever is earlier. Accordingly, approval of the Members is being sought for the re- appointment of Mr. Debnarayan Bhattacharya as an Independent Director of the Company at the ensuing 62nd Annual General Meeting convened on August 08, 2024. The Company has, in terms of Section 160(1) of the Act received in writing a notice from a Member, proposing his candidature for the office of Director.

Pursuant to Section 152(6) of the Companies Act, 2013 and the Articles of the Association of the Company, Mr. Anand V.S. (DIN - 07918665) Managing Director retires by rotation at the forthcoming 62nd Annual General Meeting. Being eligible, he has offered himself for re-appointment. In terms of the Ordinary Resolution passed by the shareholders at the 61st Annual General Meeting held on Monday, July 31, 2023, Mr. Anand V.S was appointed as the Managing Director for a period of five (5) years with effect from August 01, 2023 up to July 31, 2028. Mr. Anand was made liable to retire by rotation under section 152 of the Companies Act, 2013, subject to the condition that if re-appointed as a Director immediately on retirement by rotation, he shall continue to hold his office as Managing Director and such reappointment as a Director shall not be construed as a break in his appointment as the Managing Director. Mr. Anand shall therefore serve his term in accordance with the said approval granted by the shareholders and his contractual obligations with the Company.

There has been no other change in Key Managerial Personnel of the Company during the year.

Statutory Auditors

Pursuant to the requirements of Section 139(1) and 139(2) of the Companies Act, 2013, at the Annual General Meeting held on July 28, 2022, the Members had accorded their approval for the re-appointment of M/s. Kalyaniwalla

Directors' Report (Contd.)

& Mistry LLP, Chartered Accountants, Mumbai as the Statutory Auditors for the second and final term of the Company to examine and audit the accounts of the Company for the Financial Years 2022-23 to 2026-27. They have confirmed their eligibility under Section 141 of the Companies Act, 2013 and the Rules. As required under Regulation 33(1) (d) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India. The amended provision of Section 139(1) of the Companies Act, 2013, has dispensed with the ratification of appointment of Statutory Auditors each year by the Members.

Explanations or comments on the qualification, reservation, adverse remark, or disclaimer made by the Statutory Auditors or by Company Secretary in practice in their report.

During the year under review, there are no qualifications, reservations or adverse remarks or disclaimers made by the Statutory Auditors appointed under section 139 of the Companies Act, 2013. Hence, the need for explanation or comments by the Board does not arise. The report of the Statutory Auditor forms a part of the financial statements.

During the year under review, there were no material or serious instances of fraud falling within the purview of Section 143 (12) of the Companies Act, 2013 and Rules made there under, by officers or employees were reported by the Statutory Auditors of the Company during the course of the audit conducted and therefore no details are required to be disclosed under Section 134 (3) (ca) of the Companies Act, 2013.

Cost Auditors

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, the Cost Audit records maintained by the Company are required to be audited.

M/s. Kishore Bhatia & Associates, Cost Auditors have given a Certificate to the effect that the appointment, if made, will be within the prescribed limits specified under section 141 of the Companies Act, 2013.

The Audit Committee has obtained a certificate from the Cost Auditors certifying their independence and confirming their arm's length relationship with the Company. The Cost Audit Report in respect of FY 2022-23 was filed on September 27, 2023 and the Report for the FY 2022-23 will be filed within the time limit as prescribed under the Companies (Cost Records and Audit), Rules, 2014.

Your Directors, on the recommendation of the Audit Committee, appointed M/s Kishore Bhatia & Associates to audit the cost accounts of the Company for the FY 2024-25 on a remuneration of ₹ 0.095 Crores

As required under the Companies Act, 2013, the remuneration payable to the Cost Auditor is placed before the Members at their 62nd Annual General Meeting for their ratification.

Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors at its meeting held on May 29, 2023 appointed M/s. Parikh & Associates., Company Secretaries, a firm of Company Secretaries in Practice as Secretarial Auditor to carry out the Secretarial Audit of the Company for FY 2023-24. The Report of the Secretarial Audit is annexed herewith as **Annexure "B."**

The Secretarial Audit Report does not contain any qualifications, reservations or adverse remarks or disclaimer.

Further, PIL Chemicals Limited, is the only wholly owned subsidiary of the Company and is not a material unlisted subsidiary. Therefore, the provisions regarding the Secretarial Audit as mentioned in Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements), 2015 as amended, do not apply to PIL Chemicals Limited.

Report on Corporate Governance

As per Regulation 34 read with Schedule V (C) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate section on Report on Corporate Governance practices followed by the Company, together with a certificate received from the Company's

Directors' Report (Contd.)

Secretarial Auditor confirming compliance is attached (Refer Page No.122).

Report on Management Discussion and Analysis

As required under Regulation 34 read with Schedule V (B) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a report on "Management Discussion and Analysis" is attached and forms a part of this Report.

Corporate Social Responsibility

Your Company treats CSR as **"More than an obligation, more than a duty"**. As a part of the Arvind Mafatlal Group, the Company firmly believes that discharge of Corporate Social Responsibility in itself is a feeling that the Company belongs to the people at large and more so to the people the Company serves. Your Company has pledged its resources in various sectors and is striving continuously with the sole objective of creating an environment of well-being in all spheres of life. The group has been implementing a range of CSR activities over the last fifty years, in areas like healthcare, education, women's upliftment in rural India and environment protection.

The Company is a proud recipient of the coveted **E.T-Legal – CSR initiatives award 2023** (organised **by the Economic Times – LEGAL Awards 2023**) to recognise, acknowledge and cement the groundbreaking contributions of the Legal function towards the CSR initiatives.

The Company also bagged the top honours in form of 3 prestigious awards recognising its contributions towards the best **"Sustainability initiatives"** for CSR during 2023 at the **2nd India Sustainability Conclave and Awards 2023 held on November 02, 2023** under the aegis of **Transformance Business Media** in the categories of: **'Reduction of Poverty'; 'Promotion of Education for Economically Backward sections'; and 'Supporting Rural Healthcare'**.

In line with the provisions of the Companies Act, 2013 as amended from time to time and the Rules framed there under with respect to the Corporate Social Responsibility (CSR), the Company has formulated a Policy on CSR and has also constituted a CSR Committee to recommend and monitor expenditure on CSR. In terms of the requisite requirements, due processes and controls have been set up by the Company to ensure that all CSR contributions

sanctioned by the CSR Committee are expended by the relevant organisations for the purpose for which it was sanctioned.

The details of CSR Expenditures are given in the prescribed format which form part of this Report.

The same is annexed as **Annexure "A."**

The Company continues to actively support deserving social causes for improvement and upliftment of various sections of the society as has been its practice for past several years.

Other Particulars

Additional information on Conservation of energy, technology absorption, foreign exchange earnings and outgo as required to be disclosed in terms of section 134(3) (m) of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules 2014 is set out in **Annexure "D"** and forms part of this Report.

In commitment to keep in line with the Green Initiative and going beyond it, the Company shall be sending the Annual Report for the F.Y. 2023-24 through electronic means to all those shareholders who have registered their e-mail ids with the Company/RTA/Depository Participants, as per the relaxations provided by various MCA Circulars.

General

Your Directors state that no disclosures or reporting is required in respect of the following items as there were no transactions on these items during the year under the review:

- No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
- Issue of Equity Shares with differential voting rights, dividend or otherwise as per Section 43(a)(ii) of the Companies Act, 2013.
- Issue of Shares including Sweat Equity Shares to the employees of the Company under any scheme as per provisions of Section 54(1)(d) of the Companies Act, 2013.

Directors' Report (Contd.)

- d) No instances of non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Companies Act, 2013.
- e) There was no revision to the Financial Statements for the year under review.

Acknowledgements

Your Directors would like to acknowledge the continued support and co-operation from its Bankers, Government Bodies and Business Associates which have helped the Company to sustain its growth during the year.

For and on behalf of the Board of Directors

Place: Mumbai
Date : May 29, 2024

Hrishikesh A. Mafatlal
Chairman

Annexure “A”

Report on Corporate Social Responsibility (CSR) Activities

1. Brief outline on CSR Policy of the Company.

This policy, which encompasses the Arvind Mafatlal Group’s and the Company’s philosophy for describing its responsibility as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programs for welfare & sustainable development of the community at large, is titled as **NOCIL Limited – Corporate Social Responsibility (CSR) Policy**.

This policy applies to all CSR initiatives and activities taken up at the various locations, as decided by the CSR Committee and / or the Board of NOCIL Limited (NOCIL) for the benefit of various segments of the society.

This CSR Policy is governed by the applicable provisions of the Companies Act, 2013, the rules framed thereunder by the Ministry of Corporate Affairs i.e., the Companies (Corporate Social Responsibility Policy) Rules, 2014 (as amended from time to time) and other statutory provisions governing the matter and in event of any conflict between the terms of this Policy and the said Act and Rules, the latter shall prevail and shall be deemed to have been a part and parcel of this Policy as if the same were contained in the Policy itself.

2. Composition of the CSR Committee:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Hrishikesh A. Mafatlal	Chairman	3	3
2.	Mr. Vilas R. Gupte	Independent Director	3	3
3.	Mr. S. R. Deo*	Managing Director	3	1
4.	Ms. Dharmishta N. Raval	Independent Director	3	3
5.	Mr. Anand V.S.#	Managing Director	3	3

* Mr. S.R. Deo, Managing Director attained superannuation on July 31, 2023.

Mr. Anand V.S. was appointed as Managing Director w.e.f. August 01, 2023.

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company.

- The composition of CSR Committee and the same is available on the web link:
<https://www.nocil.com/overview/#cbd>
- The Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013 and the same is available on the web link:
<https://www.nocil.com/wp-content/uploads/2023/11/CSR-Policy-NOCIL.pdf>
- The CSR Projects approved by the Board and the same is available on the web link:
<https://www.nocil.com/wp-content/uploads/2024/06/List-of-CSR-Projects-for-FY-2023-24.pdf>

4. Provide the executive summary along with web-link(s) of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable

Not Applicable as the total CSR Expenditure is below 10 Crores.

- Average Net Profit of the Company as per sub- section (5) of section 135 - ₹ **181.37 Crores**
 - Two percent of average net profit of the Company as per sub- section (5) of section 135 - ₹ **3.63 Crores**
 - Surplus arising out of the CSR projects or programmes or activities of the previous financial years. - **Nil**
 - Amount required to be set off for the financial year, if any. - **Nil**
 - Total CSR obligation for the financial year (5b+5c-5d) - ₹ **3.63 Crores**

Annexure "A" (Contd.)

6. (a) Amount spent on CSR Projects
 (i) Ongoing Project - **Nil**
 (ii) Other than ongoing Project - **Refer Annexure A1**
 (b) Amount spent in Administrative Overheads- **Not Applicable**
 (c) Amount spent on Impact Assessment, if applicable- **Not Applicable**
 (d) Total amount spent for the Financial Year (a+b+c)= ₹ **3.64 Crores**
 (e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	*Total Amount transferred to Unspent CSR Account as per section 135(6)		*Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
₹ 3.64 Crores	Nil	NA	NA	Nil	NA

- (f) Excess amount for set off if any:

Sl. No.	Particular	Amount (in ₹ Crores)
(i)	Two percent of average net profit of the Company as per section 135(5)	3.63
(ii)	Total amount spent for the Financial Year	3.64
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.01
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

7. Details of Unspent CSR amount for the preceding three financial years:

Sr No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Balance amount unspent CSR Account under sub section (6) of section 135 (in ₹)	Amount Spent in the financial year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any		Amount remaining to be spent in succeeding financial years. (in ₹)	Deficiency if any
					Amount (in ₹)	Date of transfer		
1.	2020-21	NIL	NIL	4.79 Crores	NA	NA	NIL	NA
2.	2021-22	NIL	NIL	3.51 Crores	NA	NA	NIL	NA
3.	2022-23	NIL	NIL	3.51 Crores	NA	NA	NIL	NA
Total		-	-		NA	NA	NIL	NA

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year - **No**
 Furnish the details relating to such assets (s) so created or acquired through Corporate Social Responsibility amount spent in the financial year - **Not Applicable**
9. Specify the reason(s), if the Company has failed to spend two percent of the average net profit as per sub section (5) of section 135 - **Not Applicable**

Hrishikesh A. Mafatlal
 Chairman CSR Committee

Anand V.S.
 Managing Director

P. Srinivasan
 Chief Financial Officer

Place: Mumbai
 Date: May 29, 2024

Annexure "A" (Contd.)

Annexure A-1

SI No.	Name of the Projects	Item from the list of activity in schedule VII to the Act	Local Area (Yes/ No)	Location of the Project- District/ State	Amount (in Crores)	Mode of implementation - Direct (Yes/no)	Mode of Implementation -Through Implementing Agency - Name -CSR Registration Number
1.	<ul style="list-style-type: none"> HPV Vaccination camps. Breast Cancer Support Program 	Promoting health care including preventive healthcare care {Covered by Item No- (i) of the Schedule VII}	Yes	Mumbai (Maharashtra)	0.20	No	Cancer Patients Aid Association CSR00000926
2.	Healthcare, Rural Development and Rural Education Initiatives	Rendering Community Health Programs for the poor and the needy spectrum of society staying in rural and tribal areas. {Covered under Item No- (i) of Schedule VII}	Yes	Mira Road (Thane District, Maharashtra)	1.40	No	Shri Chaitanya Health and Care Trust (Formerly known as Sri Chaitanya Seva Trust) CSR00065035
3.	For water resources projects, Horticulture, Agriculture & wadi Development projects and Training	Livelihood enhancement projects {Covered under Item –(ii) of the Schedule VII}	Yes	Dahod (Gujarat)	0.40	No	N M Sadguru Water and Development Foundation CSR00000285
4.	For promotion, training, coaching,sports science and equipment of athletes.	Promotion of Sports and Games with a mission to support Indian athletes in winning Olympic Gold medals. {Covered under Item No-(vii) of Schedule VII}	Yes	Mumbai (Maharashtra) Moga (Punjab) Ranchi (Odisha)	0.25	No	Foundation for Promotion of Sports and Games (Olympic Gold Quest) CSR00001100
5.	<ul style="list-style-type: none"> Samutkarsh (Initiatives to enhance students' educational journey, focusing on key stakeholders such as students, community adolescent girls) Kishori Vikas (activity-based awareness sessions on nourishment, health, gender education, and personality development among adolescent girls) 	Development and welfare for the underprivileged section of the urban slum lives. {Covered under Item No-(xi) of schedule VII}	Yes	Navi Mumbai (Maharashtra)	0.15	No	Seva Sahayog Foundation CSR00000756



Annexure "A" (Contd.)

Sl No.	Name of the Projects	Item from the list of activity in schedule VII to the Act	Local Area (Yes/ No)	Location of the Project- District/ State	Amount (in Crores)	Mode of implementation - Direct (Yes/no)	Mode of Implementation -Through Implementing Agency - Name -CSR Registration Number
6.	Padopadi Swarajya, Suposhan (Providing Nutritional support to farmers in remote areas)	Empowerment of tribal Communities {Covered under Item No-(x) of Schedule VII to the Act }	Yes	Nasik, Palghar (Maharashtra)	0.30	No	Vayam CSR00008723
7.	Providing holistic nurture (physical, educational, and spiritual) to the children in deprivation and distress	Rehabilitation of deserted, parentless, and abandoned children {Covered under Item -(iii) of the Schedule VII}	No	Bhubaneshwar (Odisha)	0.15	No	RAWA Academy CSR00002778
8.	Consumer redressal and protection activities	Empowering consumers through awareness and education; Enhancing consumer protection and safety through progressive legislations and prevention of unfair trade practices; Ensuring access to affordable and effective grievance redressal mechanism {covered under Item No-ii of Schedule VII}	Yes	Ahmedabad (Gujarat)	0.05	No	Consumer Education & Research Centre CSR00021017
9.	Diploma in Basic Rural Technology (DBRT) Course 3D Printing Technology Workshops For the benefit of rural / tribal students and youth of villages.	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects. {covered under Item No-ii of Schedule VII}	Yes	Palghar (Maharashtra)	0.15	No	Sri Nityanand Educational Trust CSR00000725
10.	Jal Sangrah (A water Management Project)	Conservation of natural resources and maintaining quality of soil, air and water. {covered under Item No-iv of Schedule VII}	Yes	Patan (Gujarat)	0.15	No	Ashray Social Welfare Foundation CSR00001091

Annexure "A" (Contd.)

Sl No.	Name of the Projects	Item from the list of activity in schedule VII to the Act	Local Area (Yes/ No)	Location of the Project- District/ State	Amount (in Crores)	Mode of implementation - Direct (Yes/no)	Mode of Implementation -Through Implementing Agency - Name -CSR Registration Number
11.	Rehabilitation support to Cerebral Palsy afflicted children	promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects. {covered under Item No-ii of Schedule VII}	Yes	Mumbai (Maharashtra)	0.02	No	Swayam Rehabilitation Trust CSR00044983
12.	Education support to children with varying disabilities and especially from the economically backward sections.	promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects. {covered under Item No-ii of Schedule VII}	Yes	Mumbai (Maharashtra)	0.03	No	Rays of Hope Charitable Trust CSR00012105
13.	Zilla Parishad Project (Ranjan Pada School Project it's a part of Rotary Happy School Project - Rotary Club of Navi Mumbai Sunrise Society)	Promoting education. {covered under Item No-ii of Schedule VII}	Yes	Navi Mumbai (Maharashtra)	0.14	Yes Direct	--
14.	Mental Health Awareness Project	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects. {covered under Item No-ii of Schedule VII}	Yes	Pune (Maharashtra)	0.05	No	Vowels of the People Association CSR00012989

Annexure "A" (Contd.)

Sl No.	Name of the Projects	Item from the list of activity in schedule VII to the Act	Local Area (Yes/ No)	Location of the Project- District/ State	Amount (in Crores)	Mode of implementation - Direct (Yes/no)	Mode of Implementation -Through Implementing Agency - Name -CSR Registration Number
15.	Urban Plantation and Green Cover	Ensuring environmental sustainability. {covered under Item No- iv of Schedule VII}	Yes	Navi Mumbai (Maharashtra)	0.11	No	Green Yatra CSR00000236
16.	Installation of ETCO2 Monitor Machines at Chatrapati Shivaji Maharaj Hospital for poor patients	Promoting health care including preventive health care. {covered under Item No- i of Schedule VII}	Yes	Thane (Maharashtra)	0.03	No	Matoshree Sevadham Aroyga Seva Trust (MAST) CSR00003727
17.	Project Aashayein (Supporting underprivileged children through provision of essential stationery materials.)	Promoting education. {covered under Item No- ii of Schedule VII}	Yes	Nandurbar (Maharashtra)	0.01	No	Indian Development Foundation CSR00001585
18.	Donation of books to Sarvajanic Vikas Trust, Dahej	Promoting education. {covered under Item No- ii of Schedule VII}	Yes	Dahej (Gujarat)	0.01	Yes Direct	---
19.	Bharuch Jila Adijati Vikas Mandal (Repair and restoration of School Building)	Promoting education {covered under Item No- ii of Schedule VII}	Yes	Bharuch (Gujarat)	0.02	Yes Direct	---
20.	Distribution of Food packets to flood affected areas in Bharuch	Disaster management, including relief, rehabilitation and reconstruction activities. (covered under Item No- xii of Schedule VII)	Yes	Bharuch (Gujarat)	0.01	Yes Direct	---
21.	Padariya School (Distribution of School bags & Uniforms to underprivileged students)	Promoting education {covered under Item No- ii of Schedule VII}	Yes	Dahej (Gujarat)	0.002	Yes Direct	---
22.	Donation of protective Gumboots to poor farmers in Kalyan,	Rural development projects {covered under Item No- x of Schedule VII}	Yes	Kalyan (Maharashtra)	0.01	Yes Direct	---
Total					3.64		

Annexure “B”

FORM No. MR-3

SECRETARIAL AUDIT REPORT

for the Financial Year ended March 31, 2024

(Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

To,
The Members,
NOCIL Limited

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by NOCIL Limited (hereinafter called ‘the Company’). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company, to the extent the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India, we hereby report that in our opinion, the Company has, during the Audit period covering the financial year ended on March 31, 2024 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on March 31, 2024 as per the provisions of:

- (i) The Companies Act, 2013 (‘the Act’) and the Rules made thereunder;
- (ii) The Securities Contract (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’)
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time; *(Not applicable to the Company during the audit period)*
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; *(Not applicable to the Company during the audit period)* and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; *(Not applicable to the Company during the audit period)*

Annexure "B" (Contd.)

(vi) Other laws applicable specifically to the Company are:

- The Petroleum Act, 1934;
- The Inflammable Substance Act, 1952;
- Environment (Protection) Act, 1986 & Manufacture, Storage & Import of Hazardous Chemicals Rules, 1989
- Chemicals Accidents (Emergency Planning, Preparedness and Response) Rules, 1996;
- Chemical Weapon Convention Act, 2000 and Chemical Weapon Convention Appeal Rules, 2006;
- Petroleum Rules, 2002; and
- Gas Cylinder Rules, 2004

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and General Meetings.
- (ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments made thereunder (hereinafter referred as "Listing Regulations")

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, standards etc. mentioned herein above.

For Parikh & Associates

Company Secretaries

Signature:

Mitesh Dhaliwala

Partner

FCS No: 8331 CP No: 9511

UDIN: F008331F000367063

PR No.: 1129/2021

Place: Mumbai

Date: May 14, 2024

We further report that:

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

Adequate notice was given to all Directors to schedule the Board Meetings, Agenda and detailed notes on Agenda were sent at least seven days in advance other than those held at shorter notice, and a system exists for seeking and obtaining further information and clarifications on the Agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the meetings of the Board and its Committees were taken unanimously.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period following event(s) have occurred which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.

- a. The Company has issued and allotted 2,850 Equity Shares pursuant to Exercise of the Options granted under Employee Stock Options Scheme of the Company.

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

Annexure "B" (Contd.)

'Annexure A'

To,
The Members,
NOCIL Limited

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events, etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Parikh & Associates

Company Secretaries

Signature:

Mitesh Dhabliwala

Partner

FCS No: 8331 CP No: 9511

UDIN: F008331F000367063

PR No.: 1129/2021

Place: Mumbai

Date: May 14, 2024

Annexure "C"

Disclosure in the Directors' Report as per SEBI Guidelines:

Particulars		Till the year ended March 31, 2024
Options outstanding as at the beginning of the year		13,66,525
a	Options granted during the year	-
b	Pricing Formula	Exercise Price shall be the latest available closing market price of the equity shares of the Company, prior to the date of grant
c	Options Vested**	11,33,500
d	Options Exercised**	2,850
e	Total no. of shares arising as result of exercise of Options	2,850
f	Options lapsed *	0
g	Variation in terms of Options	None
h	Money realised by exercise of Options (in Lakhs)	4
i	Total number of options in force**	13,63,675
** The number of options have been reported as on 31.03.2024		
* Lapsed Options includes options cancelled/lapsed.		
j	Employee wise details of options granted to:	For the Grant made in 2023-24
		Name of the employee No: of options granted
	- Senior Management	NIL
	- any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year	NOT APPLICABLE
	- employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding warrants and conversions) of the Company at the time of grant	NOT APPLICABLE
k	Diluted earnings per share pursuant to issue of shares on exercise of option calculated in accordance with AS 20 'Earnings per Share'	7.85
l	Impact of employee compensation cost calculated as difference between intrinsic value and fair market value in accordance with SEBI Guidelines on ESOP	78
m (i)	Weighted average exercise price of Options granted during the year whose Exercise price equals market price	NOT APPLICABLE
m (ii)	Weighted average fair value of options granted during the year whose Exercise price equals market price	NOT APPLICABLE
n	Description of method and significant assumptions used to estimate the fair value of options	<p>The fair value of the options granted has been estimated using the Black-Scholes option pricing Model. Each tranche of vesting have been considered as a separate grant for the purpose of valuation. The assumptions used in the estimation of the same has been detailed below:</p> <p>Weighted average values for options granted during the year</p>

Annexure "C" (Contd.)

Particulars	Till the year ended March 31, 2024
Variables	
Stock Price	NOT APPLICABLE
Volatility	NOT APPLICABLE
Riskfree Rate	NOT APPLICABLE
Exercise Price	NOT APPLICABLE
Time To Maturity	NOT APPLICABLE
Dividend yield	NOT APPLICABLE

Details of options granted to Senior Managerial Personnel outstanding/ in force at the end of the year:

	Name	Designation	No. of Options
1.	Mr. Anand V.S.	Managing Director	5,600
2.	Mr. S.R. Deo	Former Managing Director	3,70,550
3.	Mr. C.R. Gupte	Former Managing Director	56,700
4.	Mr. R.M. Gadgil	Former President- Marketing	1,87,875
5.	Mr. P. Srinivasan	President Finance & Chief Financial Officer	3,17,850
6.	Dr. C.N. Nandi	Vice President – Research & Development	41,225
7.	Dr. N.D. Gangal	Vice President – QA, Analytical and Outsourced Research	84,950
8.	Mr. R.M. Desai	Vice President- Operations, IR & Admin / CRO	22,500
9.	Mr. Milind Shevte	Vice President-Marketing	38,400
10.	Mr. Ashwin Bhende	Vice President-Process Engineering, Project & Technology	32,825
11.	Mr. Rakesh Srivastava	Former Assistant Vice President-Exports	13,175
12.	Mr. Padam Bahal	Assistant Vice President-Financial and Cost Accounts	11,200
13.	Mr. Manoj Shah	Former Assistant Vice President-Materials	18,500
14.	Mr. Vikas Gupte	Former Assistant Vice President-Legal & Company Secretary	7,875
15.	Mr. D S Desai	Former Assistant Vice President-MTS	37,200
16.	Mr. Suresh Shetty	Assistant Vice President-Operations	34,900
17.	Mrs. Manisha Shastri (Legal Heir of Late Mr. Nitin Shastri)	Former Assistant Vice President- Project Execution & Purchase	19,200
18.	Mr. K R Subramanian	Former General Manager Financial and Cost Accounts	26,900
19.	Mr. Amol Pradhan	General Manager Information Technology	16,850
20.	Mr. Amit K. Vyas	Asst Vice President- Secretarial and Legal	8,500
21.	Mr. Janak Upadhyaya	General Manager-National Sales	4,300
22.	Mr. Shailesh Sangle	General Manager- Purchase	6,600
			13,63,675

Note:

All the grants are being given at the price of equity shares of the Company on the day prior to the date of grant.

Annexure "D"

Statement pursuant to Section 134(3)(m) of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014 and forming part of the Directors' Report for the year ended March 31, 2024.

A. Conservation of Energy

i. Steps taken or impact on conservation of energy

- Replacement of old transformer with energy efficient transformer
- Over-sized motors replacement with energy efficient drives
- Replacement of old insulations with advanced insulations for reduction of losses.
- Installation of additional condensate recovery systems
- Installation of VFDs for selected drives for saving of power
- Installation of energy efficient pumps & fans
- Installation of energy efficient LED lights
- Replacement of centralised ACs with split ACs for power saving

ii. Steps taken by the Company for utilising alternate sources of energy

- Requisite steps have been initiated for alternate sources of energy to boiler fuel and green power through Open Access. The full benefits of the measures taken will accrue in the subsequent year.

iii. Capital investment on energy conservation equipment

- Replacement of old transformer with energy efficient transformer: ₹ 0.33 Crores
- Over-sized motors replacement with energy efficient drives: ₹ 0.1 Crores
- Replacement of old insulations with new insulations for reduction of losses: ₹ 0.03 Crores
- Installation of additional condensate recovery systems: ₹ 0.12 Crores Installation of VFDs for selected drives for saving of power: ₹ 0.14 Crores
- Installation of energy efficient pumps & fans: ₹ 0.06 Crores
- Installation of energy efficient LED lights: ₹ 0.05 Crores
- Replacement of centralised ACs with split ACs for power saving: ₹ 0.22 Crores

B. Technology Absorption:

Efforts in brief made towards Sustainability, compliance & Technology absorption:

DAHEJ SITE:

- Contract signed with M/s Cleanmax for sourcing hybrid green power of 2.25 Mw.
- Solar panels @500 kw erected and commissioned for generation of solar energy at site.
- Debottlenecking of Rubber Chemicals.
- Responsible Care recertification audit by ICC done successfully at Dahej site.

NAVI MUMBAI SITE:

- Debottlenecking of PVI plant increased by 5%.

Expenditure on R & D

	(₹ In Crores)	
	2023-24	2022-23
Capital	0.24	0.71
Recurring	7.19	6.13
Total	7.43	6.84
Total R & D Expenditure as % to total turnover	0.52	0.42

C. Foreign Exchange Earnings and Outgo

(₹ In Crores)	
Foreign exchange used	
i) Raw materials, stores and spare parts, Capital goods and other products	324.46
ii) Expenditure in foreign currency	1.99
Foreign exchange earned	
iii) Export of goods on FOB basis, Commission and Service Charges.	463.03

For and on behalf of Board of Directors

Place: Mumbai
Date: May 29, 2024

Hrishikesh A. Mafatlal
Chairman

Annexure “E”

Disclosure u/s 197(12) and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. Ratio of remuneration of each director to the median remuneration of the employees of the Company for the financial year ended March 31, 2024

Sr. No.	Director	Remuneration (₹ in Lakhs)	Median Remuneration (₹ in Lakhs)	Ratio
1.	Mr. H. A. Mafatlal - <i>Executive Chairman</i>	465	7	72
2.	Mr. V. R. Gupte	18	7	3
3.	Mr. Rohit Arora	18	7	3
4.	Mr. Debnarayan Bhattacharya	18	7	3
5.	Mr. D. N. Mungale	18	7	3
6.	Mr. P. V. Bhide	18	7	3
7.	Ms. Dharmistha Raval	18	7	3
8.	Mr. Priyavrata Mafatlal	18	7	3
9.	Mr. A. Vellayan	18	7	3
10.	Ms. Radhika Haribhakti	9	7	1
11.	Mr. Sujal Shah	9	7	1
12.	Mr. Ramesh Iyer	9	7	1
13.	Mr. S. R. Deo - <i>Former Managing Director*</i>	234	7	36
14.	Mr. Anand V.S.- <i>Managing Director</i>	279	7	41

* Mr. S. R. Deo retired as Managing Director on July 31, 2023.

2. The Percentage increase in remuneration of each Director and Key Managerial Personnel in the financial year

Sr. No.	Director	Percentage increase
1.	Mr. H. A. Mafatlal - <i>Executive Chairman</i>	(2)
2.	Mr. V. R. Gupte	(10)
3.	Mr. Rohit Arora	(10)
4.	Mr. Debnarayan Bhattacharya	(10)
5.	Mr. D. N. Mungale	(10)
6.	Mr. P. V. Bhide	(10)
7.	Ms. Dharmistha Raval	(10)
8.	Mr. Priyavrata Mafatlal	(10)
9.	Mr. A. Vellayan	(10)
10.	Ms. Radhika Haribhakti	#
11.	Mr. Sujal Shah	#
12.	Mr. Ramesh Iyer	#
13.	Mr. S. R. Deo - <i>Former Managing Director</i>	##
14.	Mr. Anand V. S. - <i>Managing Director</i>	*
15.	Mr. P. Srinivasan- <i>President Finance & Chief Financial Officer</i>	4
16.	Mr. Amit Vyas- <i>Company Secretary</i>	10

Not comparable with previous year since appointed Independent Director in 2023-24.

Not comparable with previous year since he ceased to be the Managing Director on July 31, 2023.

* Not comparable with previous year since elevated as Managing Director w.e.f. August 01, 2023.

3. Percentage increase in the median remuneration of employees in the financial year 10%

4. The number of permanent employees on the rolls of the Company as at March 31, 2024 716



Annexure "E" (Contd.)

5. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration

Average increase in salaries of employees other than the managerial personnel is 10%. Remuneration of KMP is duly approved by NRC of the board which is in

line with industry trends, future business plans and the performance of the Company for the year under review.

6. It is affirmed that the remuneration paid is as per the remuneration policy of the Company.

For and on behalf of Board of Directors

Place: Mumbai
Date: May 29, 2024

Hrishikesh A. Mafatlal
Chairman

Annexure "E" (Contd.)

Disclosure under Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(A) The following details are given in respect of top ten (10) employees in terms of remuneration or the employees who were employed throughout the year and were in receipt of remuneration of not less than ₹ 102 Lakhs per annum:

Name & age (years), designation/ nature of duties, remuneration (₹ in Lakhs), qualification & experience (Years), date of commencement of employment, last employment held (Name of employer, post held and period (years))

1. Mr. H A Mafatlal (70) Executive Chairman, ₹ 465 Lakhs, B.Com. (Hons.), (6), August 19, 2016, Navin Fluorine International Limited (14), Related to Mr. Priyavrata Mafatlal (Director of the Company)
2. Mr. Anand V.S. (50), Managing Director, ₹ 279 Lakhs, B.E. Chemical Engineer (26), March 02, 2023, Chemetall India Pvt. Ltd. (4), Sep 2017
3. Mr. P. Srinivasan (58), President Finance & Chief Financial Officer, ₹ 212 Lakhs, B.Com. & A.C.A, (17), January 25, 2005, Flamingo Pharmaceuticals Limited, (3)
4. Dr. C.N. Nandi (67), Vice President- Research & Development, ₹ 136 Lakhs, M.Sc. & PhD. In Chemistry, (40), September 08, 1981, Bhabha Atomic Research Centre (0.5)
5. Dr. N.D. Gangal (58), Vice President- Analytical Research & Quality Assurance, ₹ 132 Lakhs, M.Sc. & PhD. In Chemistry, (14), October 01, 2007, Dow Chemicals, (0.5)
6. Mr. R.M. Desai (63), Vice President- Production & Personnel, ₹ 110 Lakhs, B.E. Chemical Engineering (39), June 15, 1982, None
7. Mr. A.B. Bhende (56), Vice President (Process Engineering, Technology & Projects), ₹ 109 Lakhs, Chemical Technologist with Diploma in Management Studies (23), April 02, 2001, Garda Chemicals
8. Mr. Milind Shevte (54), Vice President Marketing, ₹ 108 Lakhs, BE Chemical Engineering (16), April 08, 2005, Continental Carbon, (0.5)

9. Ms. Kashmeera Prabhu (42), Head HR, ₹ 96 Lakhs; Masters in Business Administration (Human Resources), January 22, 2022, Polycab Industries Limited (2)
10. Suresh Shetty (56) Asst. Vice President-Operations, ₹ 88 Lakhs, B.E Chemical Engineering (14), March 28, 2008, Dow Corning Private Limited (2)

(B) Name of the employees employed for the part of the year and were in receipt of remuneration of not less than ₹ 8.5 Lakhs per month

1. Mr. S R Deo (70), Former Managing Director, ₹ 234 Lakhs, M. Tech - Chemical Engineering from I.I.T. Kanpur (42), November 01, 1979

(C) The percentage of equity shares held by the employee in the Company within the meaning of Clause (iii) of sub rule (2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014.

Not Applicable

Notes:

1. Remuneration as above includes, salary, Company's contribution to Provident Fund and Superannuation Schemes, Gratuity fund and other Long Service funds, Leave Encashment, Leave Travel benefits, reimbursement of Medical expenses, Medical insurance premium, House Rent allowance, Compensatory allowances, Personal/ Special Allowance, Commission wherever applicable, Personal Accident Insurance, monetary value of perquisites calculated in accordance with provision of Income Tax Act 1961 and rules made thereunder in respect of Housing, Company's furniture and equipments etc which are considered on accrual basis.
2. The nature of employment is contractual for all the above employees.
3. None of the employees of the Company are related to any Director of the Company except:
 - (i) Mr. H.A. Mafatlal - Executive Chairman of the Company and Mr. Priyavrata Mafatlal - Director of the Company.

For and on behalf of Board of Directors

Place: Mumbai
Date: May 29, 2024

Hrishikesh A. Mafatlal
Chairman

Annexure "F"

Form No. AOC - 2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013
and Rule 8 (2) of the Companies (Accounts) Rules, 2014)

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

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of contracts/ arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transaction	Date(s) of approval by the Board	Amount paid as advances, if any	Date on which the Ordinary resolution was passed in general meeting as required under the first proviso to section 188
Nil								

2. Details of material contracts or arrangements or transactions at arm's length basis

(₹ in Crores)

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of contracts/ arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board	Amount paid as advances, if any
1.	Mafatlal Industries Limited (Promoter)	Reimbursement of Miscellaneous expenses	Continuing arrangement	0.11	NA [#]	Nil
2.	Vrata Tech Solutions Private Limited (Promoter)	IT services	Continuing arrangement	1.38	NA [#]	Nil
		Purchase of PPE (incl CWIP)	Continuing arrangement	0.68	NA [#]	Nil
3.	PIL Chemicals Limited (Wholly-owned subsidiary)	Processing charges	Continuing arrangement	20.30	NA [#]	Nil
4.	Shri Chaitanya Health and Care Trust (Formerly known as Sri Chaitanya Seva trust)	Donation under CSR	Donation is as per CSR Policy	1.40	NA [#]	Nil
5.	N. M. Sadguru Water and Development Foundation*	Donation under CSR	Donation is as per CSR Policy	0.40	NA [#]	Nil

* Mr. Hrishikesh A. Mafatlal is the Chairman of Shri Chaitanya Health Care Trust (Formerly known as Sri Chaitanya Seva Trust) and also the Vice-Chairman of the Board of Trustees of N. M. Sadguru Water and Development Foundation, having no beneficial interest.

Forms part of the Omnibus / requisite Approval granted by the Audit Committee at the beginning of the Financial Year, being transactions in the normal course of business and repetitive in nature.

For and on behalf of Board of Directors

Place: Mumbai
Date: May 29, 2024

Hrishikesh A. Mafatlal
Chairman

Annexure “G”

Dividend Distribution Policy

Preamble

Securities and Exchange Board of India (SEBI) vide its Notification dated July 08, 2016 brought into force SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2016, whereby Regulation 43A has been introduced requiring the top 500 listed entities based on Market Capitalisation calculated as on March 31 of every financial year, to formulate a ‘Dividend Distribution Policy’. The said Policy is to be disclosed in the Annual Reports and the website.

NOCIL Limited (‘the Company’), forms part of the List of top 500 companies based on Market Capitalisation as on March 31, 2018, uploaded on the websites of the Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

Effective Date

This Policy has been framed and approved by the Board of Directors on May 04, 2018. Hence, the Policy is applicable from the Financial Year 2018-19 onwards.

Guidelines pertaining to Dividend

- i. The Company shall comply with relevant statutory provisions under the Companies Act, 2013. The Company while determining the decision on declaration / recommendation of dividend, may also transfer such percentage of profits for the financial year, as it may deems fit, to its reserves.
- ii. The Company shall pay dividend in compliance with the provisions of Section 123 of the Companies Act, 2013 and Companies (Declaration and Payment of Dividend), Rules, 2014.
- iii. The Board shall give due consideration to the following factors while declaring / recommending dividend.

a. Financial parameters for payment of Dividend

1. Financial performance / liquidity position of the Company during the year.
2. Availability of distributable surplus / accumulated reserves .

3. Earning stability / Sustainability of profits.
4. Past dividend trend and pay-out ratio.
5. Overall performance of the sector in which the Company operates.
6. Dividend paid by the other companies operating in the same sector.
7. Investment / CAPEX / domestic / Acquisition proposals if any.
8. Covenants in Loan Agreements / debt reduction.
9. Capital restructuring / Capitalisation of reserves if any.
10. Expectation of all stakeholders including small shareholders .

b. External factors

In addition to above the declaration / recommendation of Dividend by the Company will also depend upon the Economic / Business environment, Government Policies, Market conditions, Inflation rate, Cost of external financing, etc.

Interim Dividend

The Board of Directors may declare interim dividend during any financial year and / or recommend final dividend for declaration by the shareholders of the Company at the Annual General Meeting.

Inadequacy of Profits / Declaration of Dividend out of Reserves

In case of inadequacy or absence of Profits in any Financial Year, if the Company proposes to declare Dividend out of the accumulated profits earned and transferred by it to Free Reserves, it can do so only after the Company has complied with Rule 3 of the Companies (Declaration and Payment of Dividend), Rules, 2014 which contains provisions with respect to declaration of Dividend out of Reserves.

Annexure "G" (Contd.)

Circumstances under which the Company will not declare Dividend

The Board of Directors may not recommend dividend in case the Company has incurred losses or inadequacy of profit if the Board of Directors forms an opinion that it would be in the best interest of the Company to re-invests / plough back the profits for major expansion / diversification requiring major funding.

Any other unforeseen event which would restrict ability to recommend dividend.

Utilisation of Free Reserves

The Free Reserves may be utilised:

- Payment of dividend
- For funding its major expansion/ diversification

- Plan of domestic or overseas acquisitions
- To meet any contingent liabilities/ unforeseen expenses etc.

Parameters with regards to various classes of shares

Presently, the Company has only one class of Share Capital i.e., Equity share capital.

Amendments / Review of the Policy

The Board of Directors is empowered to amend / review the Policy in accordance with the changes in laws or as and when they deem fit.

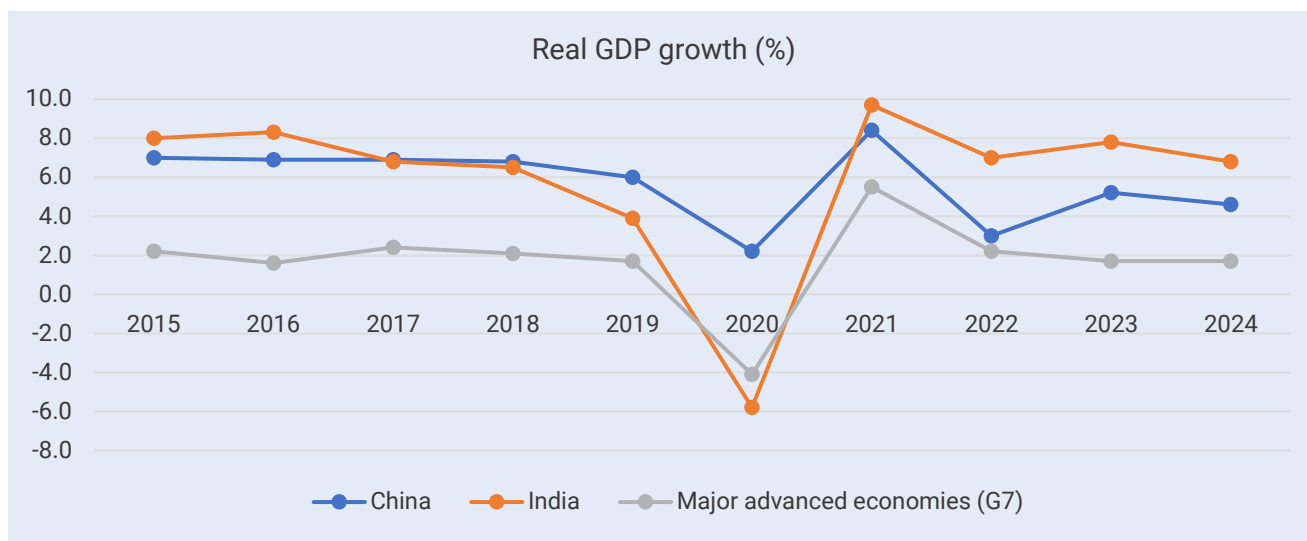
Disclosure

This Policy shall be published in the Annual Report and displayed on the Company's website.

Management Discussion and Analysis

Economic Overview

The journey of the major global economies over the last decade, is an important aspect to be considered, for any discussion and analysis revolving around the business outlook, the likely opportunities, threats, risks & concerns which the future might unfold and the plausible mitigants to it.



Source: https://www.imf.org/external/datamapper/NGDP_RPCH@WEO/IND/CHN/WEOWORLD/MAE

The ten-year ride began with a stable and a resilient growth scenario for the first few years, which was later severely impacted by events such as auto slowdown in China, Chinese pollution issues and the World-wide standstill brought by COVID-19 lockdowns. Thriving for some positive strokes after the prolonged effects of successive lockdowns, a sudden recovery was witnessed in 2021. While resumption to normalcy looked just around the corner, the global economy in 2023-24 faced significant challenges, including the aftermath of the Covid-19 pandemic, geopolitical tensions, fluctuating energy prices, and tightening monetary policies by major central banks to control inflation.

As Central Banks worldwide implemented a series of interest rate hikes to combat inflationary pressures, the economic slowdown proved to be more pronounced than anticipated. Recent events such as the *Red Sea crisis*, have further impeded the recovery process, in such unstable conditions, cross-currency exchange rates remain volatile.

In summary, the primary challenge for Global Economies is to navigate ongoing geopolitical volatilities while striving to build and sustain growth momentum.

Industry Structure and Developments

Rubber Chemical Industry:

As stated in the earlier years, the Global Rubber Chemical Industry derives its trend from the Global Rubber consumption pattern. While Global Rubber consumption showed a de-growth in Calendar Year (CY) 23 when compared with CY 22, a deep dive into the global and domestic trend vis-à-vis your Company's performance can demonstrate its strong positioning and the expected growth opportunities.

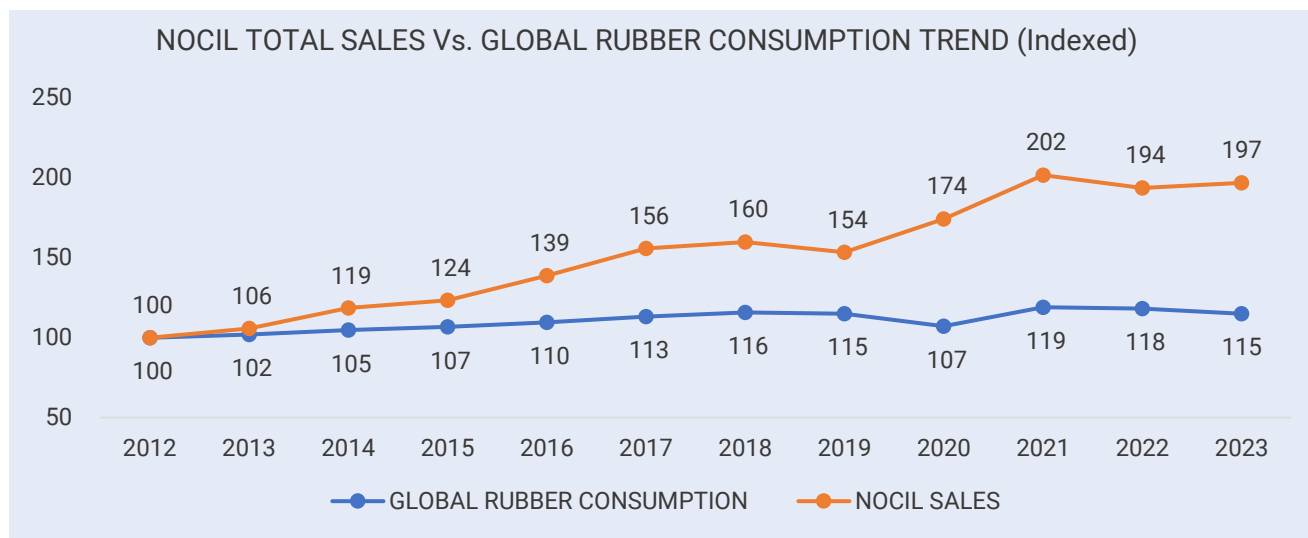
The Tire industry is largest consumer of Rubber. The Global Tire market size reached USD 164.9 Bn in 2023. Looking forward, IMARC Group expects the market to reach USD 256.8 Bn by 2032, exhibiting a growth rate (CAGR) of 4.9% during 2024-2032. (Source: <https://www.imarcgroup.com/tyre-manufacturing-plant>)

Business Outlook: Opportunities & Threats

Opportunities:

Your Company is not only seen as a dependable and quality supplier, but also a player that offers almost a complete

Management Discussion and Analysis (Contd.)



range of rubber chemicals. With our constant efforts to build on our long-term domestic relations with Tire Companies, we are quite confident of increasing our wallet share.

On the international front, your Company's positive interactions with customers to secure volumes coupled with the expectations of recovery in the world markets are positive outlook indicators. By virtue of its long association with most international Tire majors, your Company also enjoys a preferred-supplier status with their Indian operations as well. With increasing presence of these players in the Indian market, your Company stands to gain significant leverage as a domestic supplier to these plants as well.

Advancement in Rubber Chemical formulations and production technologies offers opportunities for enhanced product performance. Growing demand for eco-friendly and sustainable products provides avenues for market expansion and innovation. Moreover, your Company's strong R&D capabilities and focus on Sustainability are considered as very important strengths by the Tire majors. The continuous expansion of the Tire industry in key markets along with the rise of electric vehicles will drive the demand for high quality Rubber chemicals.

Threats:

China generates an exportable surplus, considering its consumption of 35% as against the production of 80% of world's rubber chemical demand. This factor coupled

with continued sanctions levied by the U.S (second largest market) makes India (third largest market) a prime destination for aggressive dumping of rubber chemicals by China.

Our Chinese competitors have for long been dumping their products (including penultimate intermediates) in the Indian market at low prices. The possibility of competitors pursuing an irrational pricing approach cannot be ruled out, this may create pressure on our margins.

Fluctuation in the prices of raw materials, such as petrochemicals, pose a risk to cost management and profitability. Geopolitical tensions and trade disruptions can adversely affect supply chains and market access, posing a threat to business continuity.

Risks & Concerns:

Though there are indications of rate cuts by the end of the calendar year by the central banks of the world, the data points supporting the same are not forthcoming. Any delay in recovery in the market conditions can delay your Company's target to achieve a wider market share.

Also, though your Company is de-risking its supply chain, any disruptions in the supply chain from China can affect the prices of its raw materials very significantly. Chemical Industry is intricately woven to each other and any imbalance in demand-supply for a group of chemicals can threaten the manufacturing activities of several industries.

Management Discussion and Analysis (Contd.)

The Rupee, though expected to be range-bound in the coming year, can be affected by any changes in the geopolitical conditions. The Company largely continued to mitigate the risk of this volatility through a judicious mix of natural hedge and other tools in the form of forward/ option contracts. Sentiment-driven currency changes can also impact domestic prices and profitability.

On the Crude Oil front, we see that production cuts by OPEC+ thereby reducing global oil inventories in the first half of 2024 (1H24). The ongoing production restraint may lead to a relatively balanced oil market in 2024, with firmed up oil prices for the remainder of 2024. However, there remains significant uncertainty centred around ongoing developments in current geopolitical scenario, which have the potential to increase oil price volatility and lead to sharp increases in oil prices thereby increasing the raw material prices.

Operating & Financial Performance for the Year

The Financial Statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the 'Act') [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

During the year CRISIL & CARE have reaffirmed ratings as CRISIL AA & CARE AA respectively (Double A) (Stable) for long term Bank Facilities (Fund Based facilities) and CRISIL A1+ & CARE A1+ respectively (A One plus) rating for short term Non-Fund Based Bank facilities.

During the year, some Plants were forced to operate at sub-optimal volumes to align with the market environment. Further the lacklustre latex demand in SE Asian markets and slowdown in the advanced economies, had its effect on the performance of the Company.

A summary of the financial performance of the Company is presented below:

	₹ In Crores)	
Particulars	2023-24	2022-23
Revenue from Operations	1,444.67	1,616.57
Other Income	39.88	7.25
Total Income	1,484.55	1623.82
Operating EBIDTA	190.36	249.03

During the year under review, the Company achieved a profit before tax of ₹ 177.14 Crores as compared to ₹ 200.70 Crores in 2022-23.

Pursuant to the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the key financial ratios viz., Debtors turnover, Inventory Turnover, Current Ratio, Net profit (%), and Debt Equity and Interest Coverage ratios do not exceed the threshold of 25% or more as compared to the immediately preceding financial year. However, Operating Profit Margin (%), Return on Net Worth exceeded the threshold limits due to the reasons stated above.

Internal control systems

The Company has in place, adequate Internal Control Systems and Procedures covering all the financial and operating functions. These have been designed to provide adequate assurance to the Management regarding compliance with the accounting standards by maintenance of appropriate accounting records, monitoring the Economy and efficiency of operations, protecting the assets of the Company from losses, and ensuring the reliability of financial and operational information through proper compliance with the Statutory Enactments and its Rules and Regulations. Some of the significant features of the internal control systems and procedures are as follows:

- Appropriate delegation of authority limits with responsibility for incurring capital and revenue expenditures.
- Approval and monitoring of annual revenue budget for all operating and service functions.
- Procedure for approval of capital budget proposals and monitoring the expenditure on such acquisitions.
- Formulating and reviewing the annual and long-term business plans.
- A comprehensive code of conduct for ensuring the integrity of financial reporting, ethical conduct, regulatory compliances, and conflict of interest, if any.
- Review of the operations and financial plans in key business areas through monthly management meetings.

Management Discussion and Analysis (Contd.)

- Appointment of Internal Auditors to conduct periodical internal audits on operations, systems, internal control on financial reporting etc and issue reports to the management and the Audit Committee of the Board, regarding the adequacy and compliance with the internal controls and the efficiency and effectiveness of operations.
- An ERP system (SAP) connecting the Plants, Regional Sales Offices and the Head Office enables the Management to evaluate and take decisions based on real time information systems.

The Audit Committee of the Board of Directors regularly reviews the findings of the Internal Auditors, adequacy of Internal Controls, Financial Controls, Compliance with the Accounting Standards, as well as recommends to the Board, the adoption of the Quarterly and Annual results of the Company and appointment of auditors. The Audit Committee also reviews the Related Party Transactions, entered by the Company during each quarter.

Further, the Secretarial Auditors review on a periodical basis through their own systems and check lists the compliance's part with respect to the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended and other SEBI regulations as may be applicable to the Company.

Human resources

Talented and skilled manpower is an important enabler for a Company to deliver on its growth ambitions and be future ready while remaining competitive. People are the most important and valuable assets of your Company.

During the year, we continued our focus on attracting the right talent and building internal capability to meet our current operational requirements as well as the future business expansion and growth plans. One of the key business imperatives was retaining key contributors by leveraging innovative incentive schemes as a motivational and retention strategy.

Your Company continues to curate and deliver technical, behavioural, HSE and Leadership learning offerings along with the ISO standards. 'Managerial Skill Development' programs to develop potential managers.

Your Company is committed to enabling a high-performance culture and accordingly, a new performance management system was rolled out during the year. Your Company partnered with a reputable external agency to strengthen employee and managerial capability to engage in structured performance conversations with a development focus.

During the year, your Company successfully concluded the **Value-Added Hierarchy** exercise which aimed at providing a platform for reflection and dialogue, facilitating greater collaboration, and establishing the differential value added by each layer within the organisation. Your Company is now defining phase II of this initiative which will help institutionalise the same.

Your Company has complied with all the regulations pertaining to Factory, Labour and other applicable laws and has sustained very cordial Industrial Relations with the recognised labour Union.

Cautionary statement

Certain statements in the Management Discussion & Analysis describing the Company's objectives, projections, estimates, expectations, or predictions may be 'forward looking statements' within the meaning of applicable securities laws and regulations. Actual results may differ from those expressed or implied. Important factors that could make a difference to the Company's operations include raw material availability and prices, cyclical demand and pricing in the Company's principal markets, fluctuation in forex rates, changes in Government regulations, tax regimes, economic developments within India and the countries in which business is conducted, and other incidental factors.

Report on Corporate Governance

1. Company's philosophy on Corporate Governance

Corporate Governance forms an integral part of the Company's vision, objectives, and management systems for efficient integration of the Environmental, Social & Governance principles (ESG). The Company's policy on Corporate Governance is based on the principles of **full disclosure, fairness, equity, transparency, and accountability** in the various aspects of its functioning, leading to the protection of the stakeholders' interests and an enduring relationship with stakeholders. The Management's commitment to these principles is reinforced through the adherence of all Corporate Governance practices which forms part of the Regulation Nos. 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and para C, D & E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ['Listing Regulations']. The Company has also adopted a **Code of Conduct** for the Directors and Senior Management Personnel. The Company has in place a **Code for Fair Disclosure and Conduct** as required under the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time. The Company has ensured that strong financial and Internal Controls, best Corporate Governance practices, Robust Compliance framework and Risk Management oversight have been put in place.

2. Board of Directors

a) Board Structure

The Company's Board of Directors comprises of both Independent and Non-Independent Directors. The Company also has two (2) Independent Woman Directors on its Board. The number of Independent Directors comprises of more than 50% of the total strength of the Board. The composition of the Board is in conformity with Regulation 17 of the Listing Regulations.

The Management of the Company is entrusted in the hands of the Key Management Personnel (KMPs) of the Company and is headed by the Executive Chairman, and the Managing Director who function under the supervision and control

of the Board. The Board reviews and approves strategy and oversees the actions and results of the Management to ensure that the long-term objectives of enhancing stakeholders' values are met.

Mr. Hrishikesh A. Mafatlal, Executive Chairman and Mr. Priyavrata H. Mafatlal, Non-Executive Director belong to Promoter Group and are related to each other. None of the other Directors are related to each other.

None of the Independent Directors has any other material pecuniary relationship(s) or transaction (s) with the Company, its Promoters, or Directors, or Senior Management which, in their judgment, would affect their independence. The Board confirms that based on the written affirmations received from each Independent Director, all Independent Directors fulfill the conditions specified for independence as stipulated in the Regulation 16 (1)(b) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment), Regulations, 2018 ("Listing Regulations") w.e.f. October 01, 2018. The Independent Directors are independent of the Management and are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence.

Further, the Independent Directors have also registered their names in the Data bank maintained by the Indian Institute of Corporate Affairs as mandated by the Companies (Appointment and Qualification of Directors), Rules, 2014, as amended.

The Board of Directors comprises of professionals drawn from diverse fields who bring with them a wide range of skills and experience to the Board which enhance the quality of the Board's decision-making process. All the Directors of the Company are experienced professionals having knowledge covering a wide range of subjects like Chemical Business, Financial Statement, Corporate Governance, and related regulatory issues of the business.

Report on Corporate Governance (Contd.)

The broad composition of the Board of Directors and other details such as names of the listed entities where they hold Directorships, category of Directorships, their total number of Directorships / Committee positions viz., Chairman/ Member, shareholding in the Company and attendance at the Board Meetings and at the last 61st Annual General Meeting are as under:

Composition of Board of Directors as on March 31, 2024:

Category	No. of Directors
Independent Directors	10*
Other Non-Executive Directors	1
Executive Chairman	1
Managing Director #	1
Total	13

#Mr. S.R Deo Managing Director attained superannuation on July 31st, 2023. As a part of succession planning

Mr. Anand V.S. was appointed as Managing Director with effect from August 01, 2023, for a period of 5 years.

Mr. Ramesh Iyer and Mr. Sujal Shah have been appointed as an Independent Directors for a period of 5 years with effect from November 02, 2023 and their appointments have been approved by the shareholders (through Postal Ballot) on December 22, 2023.

*Ms. Radhika Haribhakti has been appointed as an Independent Director for a period of 5 years with effect from August 01, 2023, and her appointment has been approved by the shareholders (through Postal Ballot) on September 22, 2023.

b) Board meetings held and Directors' attendance record.

Sr. No.	Name of Director	Category of Director	No of Shares held as on March 31, 2024	No. of Board meetings attended during 2023-24	No. of Directorships in Public Companies as on March 31, 2024*	No. of Board Committee Membership held in Public Companies as on March 31, 2024**		Attendance at last AGM held on July 31, 2023
						Chairman	Member	
1.	Mr. Hrishikesh A. Mafatlal	Executive Chairman –Promoter Group	7,91,468	6	3	0	2	Yes
2	Mr. Priyavrata H. Mafatlal	Non-Executive Director	12,495	5	2	0	0	Yes
3	Mr. Rohit Arora	Independent Director	-	6	1	-	1	Yes
4	Mr. Vilas. R. Gupte	Independent Director	600 ^{\$}	5	2	1	2	Yes
5	Mr. D. N. Mungale	Independent Director	-	6	9	6	4	Yes
6	Mr. P. V. Bhide	Independent Director	-	6	4	1	4	Yes
7	Ms. Dharmishta N. Raval	Independent Director	-	6	5	2	1	No
8	Mr. Debnarayan Bhattacharya	Independent Director	-	5	1	0	1	Yes
9	Mr. A. Vellayan	Independent Director	-	6	3	0	0	Yes
10	Mr. Anand V. S @	Managing Director	-	6	1	0	0	Yes
11	Mr. S.R. Deo ^	Managing Director	8,52,860^	2	1	0	1	Yes
12	Ms. Radhika Haribhakti #	Independent Director	7,200	4	7	1	7	NA
13	Mr. Sujal Shah #	Independent Director	-	3	9	1	5	NA
14	Mr. Ramesh Iyer #	Independent Director	-	3	2	1	3	NA

* Excludes Directorships held in Private Limited Companies, Foreign Companies and Section 8 companies (having charitable objects etc.) and includes Directorship in NOCIL Ltd.

Report on Corporate Governance (Contd.)

****** In accordance with Regulation 26 of the Listing Regulations, Chairmanships / Memberships of only Audit Committee and Stakeholder Relationship & Investors' Grievance Committee of all Public Limited Companies, whether listed or not, have been considered including that of NOCIL Ltd.

\$ Equity Shares held as a Joint holder.

@ Mr. Anand V.S. was appointed as Managing Director w.e.f August 01, 2023 upon superannuation of Mr. S.R. Deo on July 31, 2023.

^ Mr. S.R. Deo, Managing Director attained superannuation on July 31, 2023 Mr. Deo held 8, 52,850 equity shares in exercise of Company's ESOP Scheme -2007, out of which 10 shares were held prior to the said exercise of the ESOP's.

Ms. Radhika Haribhakti has been appointed as an Independent Director for a period of 5 years with effect from August 01, 2023, and her appointment has been approved by the shareholders (through postal ballot) on September 22, 2023. Mr. Ramesh Iyer and Mr. Sujal Shah have been appointed as Independent Directors for a period of 5 years with effect from November 02, 2023 and their appointments have been approved by the shareholders (through postal ballot) on December 22, 2023.

c) Other Directorship positions held in listed entities by Directors and the respective categories.

Sr. No.	Name of Director	Names of listed entities in which Directorship held	Category of Directorship
1.	Mr. Hrishikesh A. Mafatlal	Mafatlal Industries Limited	Promoter- Executive Chairman
2	Mr. Priyavrata H. Mafatlal	Mafatlal Industries Limited	Promoter- Managing Director
3	Mr. Rohit Arora	-	-
4	Mr. Vilas. R. Gupte	Mafatlal Industries Limited	Independent Director
5	Mr. D. N. Mungale	Tamil Nadu Petroproducts Limited	Independent Director
		NGL Fine Chem Limited	Independent Director
		Mahindra and Mahindra Financial Services Limited	Independent Director
		Kalpataru Projects International Limited	Independent Director
		Mahindra Logistics Limited	Independent Director
6	Mr. P. V. Bhide	GlaxoSmithKline Pharmaceuticals Limited	Independent Director
		Borosil Renewables Limited	Independent Director
7	Ms. Dharmishta N. Raval	Zydus Wellness Limited	Independent Director
		Zydus Lifesciences Limited	Independent Director
8	Mr. Debnarayan Bhattacharya	-	-
9	Mr. A. Vellayan	Kanoria Chemical & Industries Limited	Independent Director
		Coromandel International Limited	Non-Executive Non-Independent Director Chairperson
10	Ms. Radhika Haribhakti	Bajaj Finance Limited	Independent Director
		Bajaj Finserv Limited	Independent Director
		Navin Fluorine International Limited	Independent Director
		ICRA Limited	Independent Director
		Torrent Power Limited	Independent Director
		EIH Associated Hotels Limited	Independent Director
11	Mr. Ramesh Iyer	Mahindra & Mahindra Financial Services Limited	Vice- Chairman & Managing Director

Report on Corporate Governance (Contd.)

Sr. No.	Name of Director	Names of listed entities in which Directorship held	Category of Directorship
12	Mr. Sujal Shah	Hindoostan Mills Limited	Independent Director
		Mafatlal Industries Limited	Independent Director
		Deepak Fertilisers and Petrochemicals Corporation Limited	Independent Director
		Navin Fluorine International Limited	Independent Director
		Atul Limited	Independent Director

During the financial year under review, six (6) meetings of the Board were held by on the following dates:

Sr. No.	Date of Meeting	Board Strength	No. of Directors present
1.	May 29, 2023	11	10
2.	July 31, 2023	11	11
3.	November 02, 2023	11	10
4.	December 27, 2023	13	12
5.	February 07, 2024	13	13
6.	March 26, 2024	13	13

The maximum gap between the two Board Meetings held during the year was not more than 120 days.

Dates for the Board Meetings in the ensuing year are decided well in advance and communicated to the Directors. Board Meetings are held at the Registered Office of the Company by virtual or hybrid means (as permitted by the Ministry of Corporate Affairs (MCA) vide its notification dated June 15, 2021 and as per the availability of the Directors) The Agenda along with the Notes are mailed in advance to the Directors. Additional Meetings of the Board are held when deemed necessary.

At the commencement of each Board meeting (including the Committee meetings), all the Directors and the Company Secretary, confirm that:

- They have received the detailed agenda notes on time

- That no one else other than the participants are having access to the proceedings of the meeting and
- That they are able to see and hear everyone clearly

As required by Secretarial Standards issued by Institute of Company Secretaries of India (ICSI), certain Unpublished Price Sensitive Information (UPSI) such as Unaudited / Audited Financial Results with Presentations thereon is being circulated to the Board Members at a shorter Notice as per the general consent given by the Board of Directors at the first Board Meeting held in each financial year.

The Sixty First (61st) Annual General Meeting was held on July 31, 2023.

Pursuant to requirements of Regulation 26 of the Listing Regulations, none of the Company's Directors is a member of more than 10 committees or Chairman of more than 5 committees across all public companies in which he/ she is a Director.

d) Major functions of the Board

The Company has clearly defined the roles, functions, responsibilities, and accountability of the Board of Directors. In addition to its primary role of monitoring corporate performance, the major functions of the Board comprise of the following:

- Formulating and reviewing the steps/ initiatives and measures towards ensuring compliance with the ESG parameters and progressively move towards Sustainability.

Report on Corporate Governance (Contd.)

- Formulating strategic and business plans
- Reviewing and approving financial plans and budgets
- Monitoring corporate performance against strategic and business plans
- Review of Business risk issues
- Ensuring ethical behavior and compliance with laws and regulations and
- Reviewing and approving borrowing limits

e) Skills / Expertise / Competencies of the Board / Members :

The Board comprises of persons with varied experiences in different areas who bring in the required skills, competencies and expertise that allow them to make an effective contribution to the Board and its Committees. The below list summarises the key skills, expertise and competencies that the Board thinks necessary for the proper functioning in the context of the Company's business and industry and which in the opinion of the Board , its members possess:- (1) Commercial; (2) Finance including audit accounts and taxation ; (3) Sales and Marketing; (4) Science & Technology including I.T ; (5) General Management & Human Resources ; and (6) Legal and advisory.

Sr. No.	Name of the Director	Skills/Expertise/Competencies they hold
1	Mr. Hrishikesh A. Mafatlal	Commercial, Finance, Legal, General Management, Domain Industry, Sales & Marketing
2	Mr. Anand V.S.	Commercial, General Management, Domain Industry, Sales & Marketing, Science & Technology
3	Mr. D.N Mungale	Commercial, Finance, Legal, General Management, Domain Industry, Sales & Marketing.
4	Mr. Rohit Arora	Commercial, Finance, Legal, General Management, Domain Industry, Sales & Marketing, IT
5	Mr. P.V Bhide	Commercial, Finance, Legal, General Management, Domain Industry, Sales & Marketing, Science & Technology
6	Mr. Vilas R Gupte	Commercial, Finance, Legal, General Management, Domain Industry, Sales & Marketing.
7	Mr. Debnarayan Bhattacharya	Commercial, Finance, General Management, Domain Industry, Sales & Marketing, Science & Technology
8	Ms. Dharmishta Raval	Commercial, Legal, General Management, Domain Industry
9	Mr. A. Vellayan	Commercial, Finance, General Management, Domain Industry, Sales & Marketing.
10	Mr. Priyavrata H. Mafatlal	Commercial, Finance, General Management, Domain Industry, Sales & Marketing.
11	Ms. Radhika Haribhakti	Commercial, Finance, General Management, Domain Industry
12	Mr. Ramesh Iyer	Commercial, Finance, General Management, Domain Industry, Sales & Marketing
13	Mr. Sujal Shah	Commercial, Finance, Legal, General Management, Domain Industry

f) Familiarisation Programme

The Company provides a familiarisation programme for the Independent Directors at the time of induction as well as on a periodic basis to enable them to understand the business of the Company. Detailed presentations relating to Manufacturing & Technical operations, financial performance and Marketing initiatives are made at each of

Report on Corporate Governance (Contd.)

the quarterly Board meetings. The Management also endeavors to apprise the Directors regarding their responsibilities in case of change / amendment to the Rules and Regulations. The details of the familiarisation programme have been displayed on the Company's website and its weblink is <https://www.nocil.com/wp-content/uploads/2024/06/Familiarization-Programme-for-IDS.pdf>

g) Independent Directors' Meeting

During the financial year under review, the Independent Directors met on March 26, 2024. All the Independent Directors were present at the meeting. Pursuant to the requirements of the Listing Regulations and Schedule IV of the Companies Act, 2013 on Code of Conduct of the Independent Directors, the Independent Directors reviewed and evaluated the performance of Non-Independent Directors and the Board as a whole and the same was found to be satisfactory. The Independent Directors at their said meeting also reviewed the performance of the Chairperson of the Company, taking into account the views of the Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board members to effectively and reasonably perform their duties. Further, pursuant to the Companies (Appointment and Qualification of Directors), Rules, 2014 as amended, all the Independent Directors have also furnished a declaration to the effect that their names are included in the Database maintained by the Indian Institute of Corporate Affairs.

3. Audit Committee

The total strength of the Audit Committee is 5 Members all of whom are in the Independent Category. The norms require 2/3rd of the members to be Independent Directors.

Mr. D.N Mungale is the Chairman of the Audit Committee.

The composition of the Audit Committee and the details of meetings attended by the Members during the year are given below.

Name of Members	Category	No. of Meetings attended during the year 2023-24
Mr. D.N. Mungale, Chairman	Independent Director	3
Mr. Rohit Arora	Independent Director	4
Mr. Vilas R. Gupte	Independent Director	3
Mr. P. V. Bhide	Independent Director	4
Mr. Debnarayan Bhattacharya	Independent Director	3

During the Financial Year four (4) Audit Committee Meetings were held on **May 29, 2023; July 31, 2023; November 02, 2023, and February 07, 2024.**

The requisite quorum was present at all the meetings.

The Audit Committee Meetings are also attended by the Executive Chairman, Managing Director, Chief Financial Officer, and the Company Secretary. Other Independent and Non-Executive Directors also attend the Meetings as Invitees. The Vice President – Marketing is invited to attend the meetings, as and when required. The Company Secretary acts as the Secretary of the Audit Committee. Representatives of the Internal and Statutory Auditors also attend the meetings.

The Board of Directors has appointed M/s. Aneja Associates, Chartered Accountants, as Internal Auditors to conduct the Internal Auditors of the various areas of operations and records of the Company. The periodical reports of the said Internal Auditors were regularly placed before the Audit Committee along with the comments of the Management on the action taken to correct any observed deficiencies in the working of the various departments.

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The scope of the activities of the Audit Committee is as set out in Regulation 18 of the Listing Regulations read with Section 177 of the Companies Act, 2013 and SEBI (Prohibition of Insider Trading) Regulations, 2015 and the amendments made thereto.

The terms of reference of the Audit Committee are broadly as follows:

- a) To oversee the Company's financial reporting process and the disclosure of its financial information to ensure that financial statement is correct, sufficient, and credible.
- b) To engage Consultants who can analyze / review the internal practices and give a report thereon to the Audit Committee from time to time in respect of the Company's Financial Reporting and controls thereto.
- c) To recommend the appointment/ re-appointment, remuneration and terms of appointment of the Internal and Statutory Auditors of the Company.
- d) To recommend the appointment/re-appointment and remuneration of the Cost Auditor and to review the Cost Audit Report.
- e) To recommend the appointment/ re-appointment and remuneration of the Secretarial Auditor.
- f) To review and monitor the Auditor's independence and performance, and effectiveness of audit process.
- g) Examination of the financial statements and the Auditors' report thereon.
- h) Approval or any subsequent modification of transactions of the Company with Related Parties.
- i) Scrutiny of inter-corporate loans and investments.
- j) Valuation of undertakings or assets of the Company, wherever it is necessary.
- k) Evaluation of internal financial controls and risk management systems.
- l) To review the Internal Control over Financial Reporting.
- m) To review the functioning of the Whistle blower mechanism
- n) Monitoring the end use of funds raised through public offers and related matters.
- o) To review compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 and the amendments made thereto from time to time, at least once in a financial year and to verify that the systems for internal control are adequate and are operating effectively.
- p) To review the annual declarations made by the Promoters and Promoter group companies regarding encumbrance, whether directly or indirectly, on shares of the Company pursuant to the provisions of SEBI (Substantial Acquisition of Shares and Takeover), Regulations, 2011, as amended.
- q) To review the utilisation of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees one hundred crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
- r) To consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

The Audit Committee also assures the Board about the adequate internal control procedures and financial disclosures to commensurate with the size of the Company and in conformity with the requirements of the Listing Regulations.

4. Share Transfer Committee

The Committee comprises of Hrishikesh A. Mafatlal, Executive Chairman, Mr. Anand V.S., Managing Director, and Mr. Priyavrata H. Mafatlal, Non –Executive Director.

The Committee takes note of the cases wherein the equity shares have been transferred to Investor Education & Protection Fund (IEPF) and the legal heirs of such shareholders have approached the Company, after completion of the requisite formalities, for reclaiming their shares from the IEPF. The Committee

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meets periodically, and minutes of such meetings are put up to the Board. The Company's Registrar and Share Transfer Agents verify the required documents of cases of Transmission / issue of Duplicate Share Certificates and recommend the same for approval of the Committee. Further, as per Regulation 40(2) of the Listing Regulations, a report on deletion of name/ issue of duplicate share certificate/ transmission of securities is also placed at each meeting of the Board of Directors.

During the year under review, the Company has transferred 1,78,484 Equity Shares of the shareholders to the IEPF holding shares both in dematerialised form as well as physical form, who had not uncashed their Dividend for a period of 7 years or more beginning from the Financial Year 2015-16 so as to comply with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 and the amendments thereto. The details of the same have been given in the Directors' Report for the Financial Year 2023-24 under the heading 'Transfer of Unpaid Dividend and corresponding Equity Shares to the Investor Education and Protection Fund (IEPF)'. Out of 20,67,293 equity shares transferred by the Company to IEPF from the Financial Years 2017-18 to 2023-24, the Authority has credited 68,235 equity shares to the demat account of the claimants on completion of requisite formalities. As on March 31, 2024, the balance number of shares lying with IEPF is 19,99,058.

5. Stakeholders Relationship and Investors' Grievance Committee

The Company has constituted the Stakeholders Relationship and Investors' Grievance Committee in accordance with the provisions of the Companies Act, 2013 and the Listing Regulations.

The Committee comprises of Ms. Dharmishta Raval , an Independent Director (Chairperson) , Mr. Hrishikesh A. Mafatlal , Executive Chairman, Mr. Vilas R Gupte, Independent Director and Mr. Anand V.S., Managing Director.

The details of meetings attended by the Members during the year are given below:

Name of Members	Category	No. of Meetings attended during the year 2023-24
Ms. Dharmishta N. Raval, Chairperson	Independent Director	1
Mr. Hrishikesh A. Mafatlal	Executive Chairman (Promoter Group)	1
Mr. Anand V.S.	Managing Director	1
Mr. Vilas. R. Gupte	Independent Director	1

During the financial year One (1) Stakeholders' Relationship and Investors' Grievances Committee Meeting was held on August 29, 2023. The requisite quorum was present at the meeting.

The Committee reviews the complaints received by the Company from the Investors and the action taken by the Management to redress these complaints.

The Company received 13 complaints from shareholders during the Financial Year 2023-24, all the said complaints have been resolved amicably within the statutory time frame.

The Company Secretary acts as the Secretary of the Committee.

Name, designation, and address of the Compliance Officer:

Mr. Amit K. Vyas

Assistant Vice President (Legal) & Company Secretary
Mafatlal House, 3rd Floor, H. T. Parekh Marg,
Backbay Reclamation, Churchgate,
Mumbai – 400 020.

Email id: - amit.vyas@nocil.com

The terms of reference of the Stakeholders Relationship and Investor Grievance Committee are broadly as follows:

- Resolving the grievances of the Shareholders of the Company including complaints related to non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.

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- b. Review of measures taken for effective exercise of voting rights by shareholders.
- c. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- d. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.
- e. Review of the status of the Compliance by the RTA with applicable SEBI Regulations.

6. Nomination and Remuneration Committee

A. Composition and Scope

The composition of the Nomination and Remuneration Committee (NRC) is as follows and the details of meetings attended by the Members during the year are given below:

Name of Members	Category	No. of meetings attended during the Year 2023-24
Mr. Rohit Arora, Chairman	Independent Director	3
Mr. Hrishikesh A. Mafatlal	Executive Chairman	3
Mr. D.N. Mungale	Independent Director	3
Mr. Debnaraya Bhattacharya	Independent Director	3

During the financial year, three (3) NRC Meetings were held on **May 29, 2023, July 26, 2023 and October 10, 2023.**

The scope of the activities of the NRC is as set out in Regulation 19 of the Listing Regulations read with Section 178 of the Companies Act, 2013 as amended. The same is as follows:

- a. Recommending to the Board the appointment / re-appointment of Executive Chairman / Managing Director.
- b. Reviewing the performance of the Executive Chairman /Managing Director basis the Company's performance.
- c. Recommend to the Board remuneration including Salary, Perquisites and Performance Bonus to be paid to the Company's Executive Chairman /Managing Director.
- d. Review of the Remuneration Policy of the Company in line with amended Rules and Regulations, market trends to attract and retain the right talent.
- e. Review and approval of elevation / promotions and revision in remuneration of Senior Management of the Company.
- f. Grant of Employees Stock Options to Designated Employees and allotment of Equity Shares on exercise of the ESOPs.
- g. Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel, and other employees.
- h. Formulation of criteria for evaluation of performance of Independent Directors and the Board.
- i. Devising a policy on Board diversity.
- j. Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal.

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- k. Specify the manner of evaluation of the performance of the Board, its Committees, and the individual Directors to be carried out either by the Committee or by the Board or by the independent external agency and review its implementation and compliance.
- l. For every appointment of an Independent Director, the NRC shall evaluate the balance of skills, knowledge, and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an Independent Director. The person recommended to the Board for appointment as an Independent Director shall have the capabilities identified in such description. For identifying suitable candidates, the Committee may:
 - uses the services of external agencies, if required,
 - considers candidates from a wide range of backgrounds, having due regard to diversity and
 - considers the time commitments of the candidates.

In view of the amended provisions of Section 178 of the Companies Act, 2013, the performance of Board, its Committees, and each Director (excluding the Director being evaluated) has been evaluated by the Board on the basis of engagement, leadership, analysis, decision making, communication, governance, interest of stakeholders etc.

B. Remuneration Policy

The Nomination and Remuneration Committee (NRC) while deciding the remuneration packages of the Directors and Key Managerial Persons (KMPs) ensures that:

- i. the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the stature required to run the Company successfully.
- ii. the relationship of remuneration to performance is clear and meets the appropriate performance benchmarks.
- iii. remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals; and
- iv. specify the manner of effective evaluation of the performance of Board, its Committees, and individual Directors to be carried out either by the Board or by the NRC or by an independent external agency and review its implementation and compliance.

The Non-Executive Directors (NEDs) are paid remuneration by way of Sitting Fees and Commission. At the 57th Annual General Meeting held on July 30, 2019, shareholders' approval was taken for payment of commission at the rate not exceeding 1 % p.a. for a period of five years from September 01, 2019, to cover the Financial Years from 2019-20 to 2023-24 [*Approval of the Members is being sought at the 62nd AGM on 8th August, 2024 for payment of commission @ 1% to the NEDs for a further period of 5 years w.e.f 2024 upto 2029]. The Commission is paid at a rate not exceeding 1% per annum of the profits of the Company computed in accordance with Sections 197 and 198 of the Companies Act, 2013. The distribution of Commission amongst the NEDs is placed before the Board and distributed as decided by the Board based on the recommendation of the Nomination and Remuneration Committee.

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C. Remuneration of Directors

(₹ in Crores)

Name of the Director	Salary, Allowances / Perquisites & Performance Bonus, ESOPs	Contribution to Funds	Total
Mr. Hrishikesh A. Mafatlal, Executive Chairman	4.37	0.28	4.65
Mr. S. R. Deo, Managing Director *	2.19	0.15	2.34
Mr. Anand V.S., Managing Director #	2.51	0.28	2.79

*Mr. S.R. Deo attained superannuation on July 31, 2023.

#Mr. Anand V.S. was appointed as Managing Director w.e.f August 01, 2023.

The Nomination and Remuneration Committee at its meetings held on various dates granted 5,600 Stock Options to Mr. Anand V.S., Deputy Managing Director under Employees Stock Options Scheme- 2007. Stock Options are issued at exercise price being the closing price on the previous day of date of grant at the Exchange at which the largest numbers of shares were traded. The options would be vested in 4 equal annual installments beginning at the end of one year from the date of grant. The exercise period would commence one year from the date of grant and will expire on completion of ten years from the date of grant of options. As per the Company's Employee Stock Option Scheme - 2007 as amended, if an employee retires from the Company, he shall exercise his vested options within 120 months or the remaining validity of the options, whichever is earlier.

The details of the options exercised by Mr. S.R. Deo (Managing Director who superannuated on July 31, 2023) and Mr. Anand V.S. (appointed as Managing Director w.e.f. August 01, 2023) are given below:

Name of the Director	No. of shares held on 01-04-2023	No. of ESOPs exercised during 2023-24	No. of Equity Shares sold during 2023-24	No. of Equity Shares held as on 31-03-2024
Mr. S. R. Deo, Managing Director	8,52,850	-	-	8,52,850
Mr. Anand V.S. Managing Director	-	-	-	-

Commission / Sitting Fees to Non-Executive Directors for the financial year 2023-24 for attending Board and Committee Meetings.

(₹ In Crores)

Name of the Director	Sitting Fees#	Commission*	Total
Mr. Rohit Arora	0.14	0.18	0.32
Mr. Vilas R. Gupte	0.10	0.18	0.28
Mr. D. N. Mungale	0.10	0.18	0.28
Mr. P.V. Bhide	0.10	0.18	0.28
Ms. Dharmishta N. Raval	0.07	0.18	0.25
Mr. Debnarayan Bhattacharya	0.14	0.18	0.32
Mr. Priyavrata H. Mafatlal	0.04	0.18	0.22
Mr. A. Vellayan	0.10	0.18	0.28
Mr. Radhika Haribhakti	0.04	0.09	0.13
Mr. Sujal Shah	0.03	0.09	0.12
Mr. Ramesh Iyer	0.03	0.09	0.12
Total	0.90	1.71	2.60

* On accrual basis

In includes the sitting fees paid for attending meetings of a **Strategic Investment Committee constituted** by the Board of Directors.

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7. Corporate Social Responsibility (CSR) Committee

The composition of the CSR Committee and the details of meetings attended by the Members during the year are given below:

Name of Members	Category	No. of meetings attended during the Year 2023-24
Mr. Hrishikesh A. Mafatlal, Chairman	Executive Chairman (Promoter Group)	3
Ms. Dharmishta N. Raval	Independent Director	3
Mr. Vilas R. Gupte	Independent Director	3
Mr. S. R. Deo *	Managing Director	1
Mr. Anand V.S.#	Managing Director	3

* Mr. S.R. Deo, Managing Director attained superannuation on July 31, 2023.

Mr. Anand V.S. was appointed as Managing Director w.e.f. August 01, 2024.

During the financial year 2023-24, three (3) CSR Committee meetings were held on **April 26, 2023, August 29, 2023, and December 20, 2023.**

The Company has complied with the necessary requirements under the Companies Act, 2013 in this regard.

The terms of reference of the CSR Committee broadly comprise of the following :

- To review the Company's existing CSR Policy and to supervise and monitor the activities undertaken by the Company as specified in CSR Policy and Schedule VII of the Companies Act, 2013.
- To consider and recommend to the Board for approval the Annual CSR Budget and plan towards CSR Contribution.
- To provide guidance on various CSR activities undertaken by the Company.
- To recommend to the Board for ratification of the CSR contributions, approved by the Executive Chairman/Managing Director under his powers.

8. Risk Management Committee

The Risk Management Committee (RMC) was constituted / formed by the Board pursuant to Regulation 21(4) of the Listing Regulations.

The composition of the Risk Management Committee (RMC) is as follows and the details of meetings attended by the Members during the financial year are given below:

Name of Members	Category	No. of meetings attended during the Year 2023-24
Mr. P. V. Bhide	Independent Director	2
Mr. Hrishikesh A. Mafatlal	Executive Chairman (Promoter Group)	2
Mr. S.R. Deo*	Managing Director	0
Mr. Anand V.S.#	Managing Director	2
Mr. Debbarayan Bhattacharya	Independent Director	2
Mr. A. Vellayan	Independent Director	2
Mr. P. Srinivasan**	President Finance & CFO	2

* Mr. S.R. Deo, Managing Director attained superannuation on July 31, 2023

Mr. Anand V.S. was appointed as Managing Director w.e.f. August 01, 2024.

** Mr. P. Srinivasan is a Management Representative on the Committee

During the year, two (2) RMC Meetings were held on **September 06, 2023, and February 07, 2024.**

The terms of reference of the RMC as set out in Regulation 21 of the Listing Regulations is as follows:

- To review Enterprise Risk Management (ERP) -Sustainability (ESG related risks is a part of Enterprise Risk).
- To review business continuity.
- To periodically review the process technology updates.
- To review Competitor Action plans.
- To periodically review the IT/Cyber security systems.

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- f. To periodically upgrade the environment standards at all the manufacturing locations including ancillary units.
- g. To review the foreign exchange policy.
- h. To review Human Capital and succession planning and create proper / adequate organisational structure at all levels.
- i. To explore diversification opportunities in related areas of our strength from time to time.
- j. To periodically review programme of investment proposals under implementation.
- k. To review Legal and Statutory Compliances.
- l. To insure all assets adequately.
- m. Formulation of Risk Policy and its periodic review.

9. General Body Meetings

The venue and timings of the last three Annual General Meetings are given below:

Financial Year	Date	Location	Time
2020-21	August 03, 2021	Video Conferencing (VC)/Other Audio-Visual Means (OAVM) at Mafatlal House, H.T. Parekh Marg, Backbay Reclamation, Churchgate, Mumbai 400 020	2.30 p.m.
2021-22	July 28, 2022	Video Conferencing (VC)/Other Audio-Visual Means (OAVM) at Mafatlal House, H.T. Parekh Marg, Backbay Reclamation, Churchgate, Mumbai 400 020	3.00 p.m.
2022-23	July 31, 2023	Video Conferencing (VC)/Other Audio-Visual Means (OAVM) at Mafatlal House, H.T. Parekh Marg, Backbay Reclamation, Churchgate, Mumbai 400 020	3.00 p.m.

The number and particulars of Special Resolutions passed in the last three Annual General Meetings are as follows:

Date of Annual General Meeting	Number and particulars of Special Resolutions passed.
August 03, 2021	<ul style="list-style-type: none"> a. Redesignation of Mr. Vilas R. Gupte as an Independent Director of a Company for a period of five (5) Years. b. Appointment of Mr. Hrishikesh A. Mafatlal as the Executive Chairman for a period of five (5) Years, (he attains the age of 70 years during his tenure)
July 28, 2022	No special resolution was passed.
July 31, 2023	No special resolution was passed.

No business was required to be transacted through Postal Ballot at the above meetings and none is required to be transacted through Postal Ballot at the ensuing 62nd Annual General Meeting convened on August 08, 2024.

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Postal Ballot

During the year, the Company had conducted Postal Ballot during September 2023 and December 2023, details of which are given hereunder:

I. Postal Ballot conducted for September 2023

Date of Postal Ballot Notice		July 31, 2023				
Voting period		August 24, 2023, to September 22, 2023				
Date of approval		September 22, 2023				
Date of declaration of Result		September 22, 2023				
Name of the Resolution	Type of Resolution	No. of votes polled	No. of Votes – in favor	No. of Votes – against	% Of Votes in favor on votes polled	% Of votes against on votes polled
Appointment of Mrs. Radhika Haribhakti (Holding DIN: 02409519) as an Independent Director.	Special	7,06,34,067	6,81,22,642	25,11,425	96.44	3.55

The Company successfully completed the process of obtaining the approval of its shareholders for Special Resolution on the item as mentioned above through Postal Ballot.

Mr. Mitesh Dhabliwala of M/s. Parikh & Associates, Company Secretaries (Membership No. FCS -8331) was appointed as the Scrutiniser for conducting the Postal Ballot and e-voting process in a fair and transparent manner.

II. Postal Ballot conducted in December 2023

Date of Postal Ballot Notice		November 02, 2023				
Voting period		November 23, 2023, to December 22, 2023				
Date of approval		December 22, 2023				
Date of declaration of Result		December 22, 2023				
Name of the Resolution	Type of Resolution	No. of votes polled	No. of Votes – in favor	No. of Votes – against	% Of Votes in favor on votes polled	% Of votes against on votes polled
Appointment of Mr. Sujal Shah (Holding DIN: 00058019) as an Independent Director.	Special	7,26,15,858	6,63,98,662	62,17,196	91.44	8.56
Appointment of Mr. Ramesh Iyer (Holding DIN: 00220759) as an Independent Director.	Special	7,26,16,082	7,25,98,487	17,595	99.97	0.02

The Company successfully completed the process of obtaining the approval of its shareholders for Special Resolutions on the items as mentioned above through Postal Ballot.

Mr. Mitesh Dhabliwala of M/s. Parikh & Associates, Company Secretaries (Membership No. FCS -8331) was appointed as the Scrutiniser for conducting the Postal Ballot and e-voting process in a fair and transparent manner.

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Procedure for Postal Ballot

In compliance with Regulation 44 of the Listing Regulations and Section 108 and other applicable provisions of the Act read with the Rules, the Company was pleased to **provide e voting** facility to enable the shareholders of the Company to cast their votes electronically, instead of circulation of the physical Postal Ballot Forms. The Ministry of Corporate Affairs (MCA) has, vide the General Circular Nos. 14/2020 and 17/2020 dated April 08, 2020 and April 13, 2020, respectively permitted the dispatch of Postal Ballot Notices by email to the shareholders who have registered their email ids with the Company / RTA / Depository Participant / Depository and secure their votes through e-voting. In respect of those shareholders who have not registered their email ids, the Company provided the mechanism in the Notice to register their email ids and a public notice to that effect was published. Members (whether holding shares in demat form or in physical form) were requested to cast their votes by e-voting. The Company engaged the services of National Securities Depository Limited (NSDL) for the purpose of providing e-voting facility to all its members.

The scrutinisers submitted their report to the Chairman, after the completion of scrutiny, and the consolidated results of the voting by Postal Ballot were then announced by the Chairman on September 22, 2023 and December 22, 2023 respectively. The results were also displayed on the Company's website viz., www.nocil.com and were communicated to the Stock Exchanges, the Depositories (NSDL and CDSL) and the Registrar and Share Transfer Agent. The last date for the receipt of duly e-voting was the date on which the resolution was deemed to have been passed, if approved by the requisite majority.

10. Means of communication

The Board takes on record the audited / unaudited yearly/ quarterly financial results prepared in accordance with the Companies (Indian Accounting

Standards) Rules, 2015 (Ind-AS Rules) in the format prescribed under Regulation 33 of the Listing Regulations read with Circular Ref No. CIR/CFD/FAC/62/2016 dated July 05, 2016 issued by SEBI within prescribed time limit from the closure of the quarter / year and announces the results to all the stock exchanges where the shares of the Company are listed. The Company has been publishing the results in the format as prescribed by SEBI in the Economic Times and Maharashtra Times within 48 hours of the conclusion of the meeting of the Board in which they are approved.

- I. The quarterly, half-yearly and annual results of the Company are submitted to the Statutory Auditors of the Company for a limited review and the report of the Auditors is also filed with all Stock Exchanges after approved by the Board of Directors.
- II. The quarterly results are not sent to each shareholder as shareholders are intimated through press/media.
- III. The Company's website **www.nocil.com** provides information about the Company to its existing and prospective stakeholders. The quarterly results are displayed on the Company's website along with other relevant information.
- IV. The Company also makes presentations on the Operational and Financial Highlights to the Analysts which are hosted on the Company's website viz., www.nocil.com and submitted to the Stock Exchange.
- V. The Company has created a separate e-mail address viz. investorcare@nocil.com to receive and redress the complaints and grievances of the investors.

11. General Shareholder Information

i) Annual General Meeting:

Date and time	August 08, 2024 at 3.00 PM
Venue	Mafatlal House, 4 th Floor, Backbay Reclamation, Mumbai - 400 020 (through Video Conferencing)

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ii) Financial Year of the Company

The financial year covers the period April 01 to March 31.

Financial reporting for 2024-25 (Indicative)

Quarter ending in June 2024:	August 2024
Half year ending in September 2024 :	end October 2024
Quarter ending in December 2024 :	February 2025
Year ending in March 2025 :	end April / May 2025
Annual General Meeting (2024-25) :	end July 2025

iii) Dividend Payment Date

On or after August 16, 2024 (If approved at the forthcoming 62nd Annual General Meeting)

v) Stock market data

The monthly high / low quotation of shares traded on the Bombay Stock Exchange and the National Stock Exchange of India is as follows:

(Figures in ₹)

Bombay Stock Exchange Ltd. (BSE)			National Stock Exchange of India Ltd. (NSE)		
Month	High	Low	Month	High	Low
April, 2023	221.95	207.25	April, 2023	221.80	206.50
May, 2023	239.95	212.90	May, 2023	239.90	212.95
June, 2023	229.50	216.00	June, 2023	229.85	216.05
July, 2023	225.60	204.25	July, 2023	225.70	204.35
August, 2023	234.20	210.00	August, 2023	234.35	209.75
September, 2023	254.90	219.35	September, 2023	254.90	219.45
October, 2023	241.00	210.10	October, 2023	241.00	210.30
November, 2023	249.75	211.15	November, 2023	249.70	211.10
December, 2023	281.25	234.25	December, 2023	281.30	233.65
January, 2024	285.30	254.25	January, 2024	285.45	254.05
February, 2024	297.80	252.60	February, 2024	297.80	252.00
March, 2024	267.00	220.05	March, 2024	267.95	220.20

iv) Listing of Equity Shares on Stock Exchanges and Stock Code

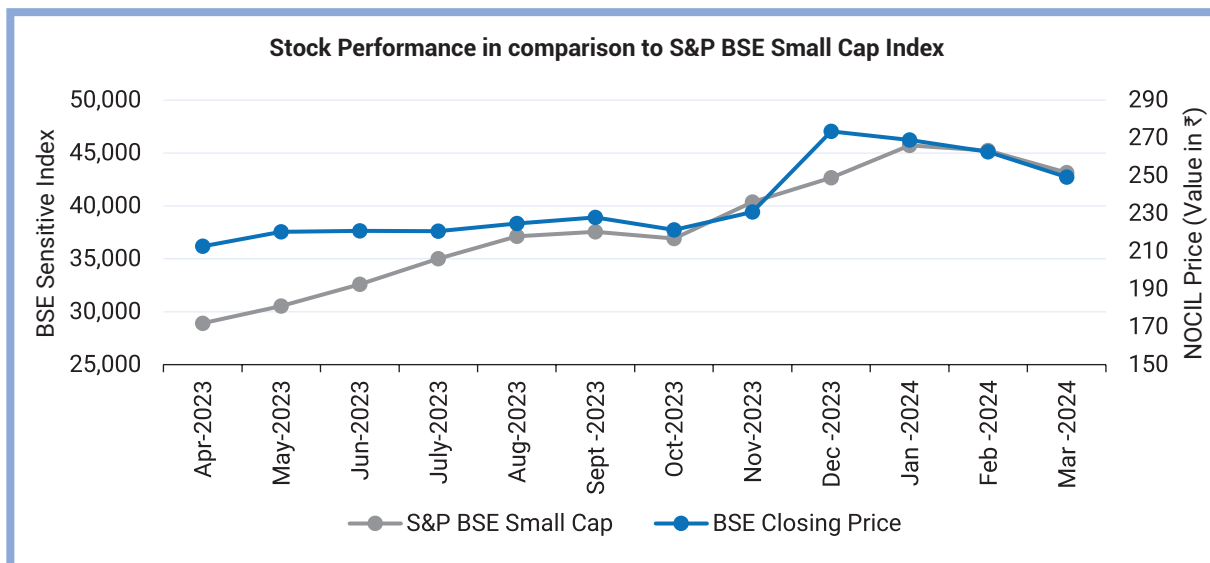
Equity shares of the Company are listed on:

Name of the Stock Exchange	Stock Code
1. BSE Limited Phiroze Jeejeebhoy Towers Dalal Street, Mumbai- 400 001	500730
2. National Stock Exchange of India Limited Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051	NOCIL

The Company has paid the Listing Fees to Bombay Stock Exchange Limited and National Stock Exchange of India Ltd for 2024-25.

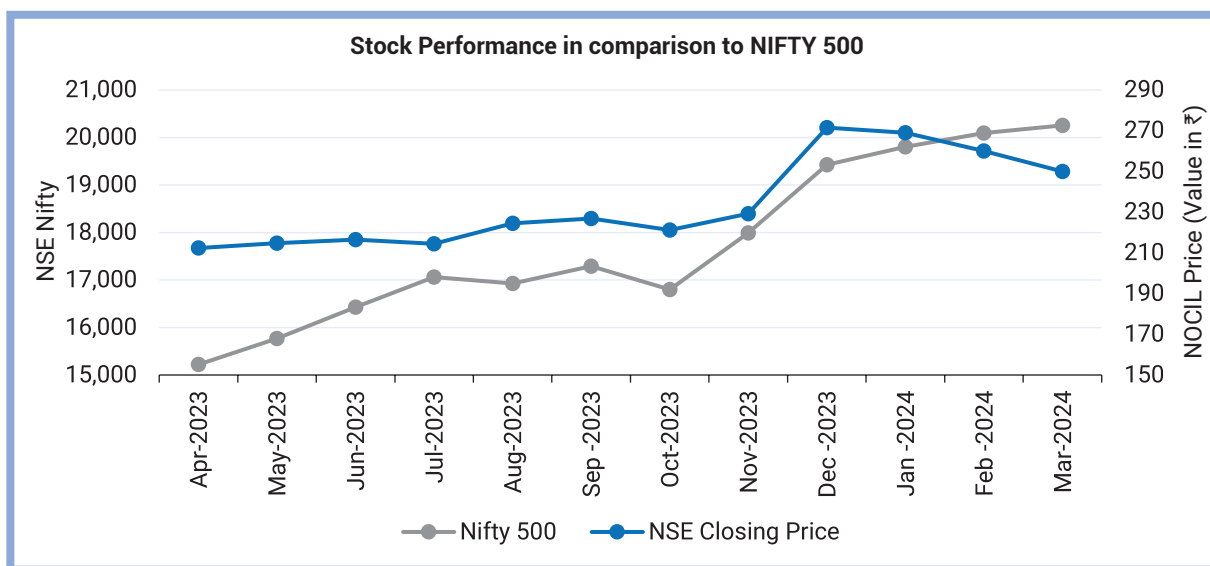
Report on Corporate Governance (Contd.)

vi) NOCIL Stock Performance in comparison to S&P BSE 500 Index



Source: <https://www.bseindia.com/markets/equity/EQReports/StockPrchHistori.html?flag=0>
<https://www.bseindia.com/indices/IndexArchiveData.html>

NOCIL Stock Performance in comparison to NSE 500 Index



Source: <https://www.nseindia.com/get-quotes/equity?symbol=NOCIL>
<https://www.niftyindices.com/reports/historical-data>

vii) Registrar and Share Transfer Agents (RTA):

The Company has appointed KFin Technologies Limited (Formerly known as KFin Technologies Pvt. Ltd) as the RTA.

Report on Corporate Governance (Contd.)

Address for Investor correspondence

KFin Technologies Ltd.

Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032.

Telephone No. : 040 – 6716 2222

Fax no. : 040 - 2343 1551

Email : einward.ris@kfintech.com

viii) Share Transfer system

As per Regulation 40 of the Listing Regulations, as amended, securities of listed entities can be transferred only in dematerialised form, with effect from April 01, 2019. Members holding shares in physical form are requested to consider converting their holdings to dematerialised form. Transfers of equity shares in electronic form are effected through the Depositories with no involvement of the Company.

Pursuant to SEBI circular dated January 25, 2022, securities of the Company shall be issued in dematerialised form only while processing service requests in relation to issue of duplicate securities certificate, renewal/ exchange of securities certificate, endorsement, sub-division/ splitting of securities certificate, consolidation of securities certificates/folios, transmission and transposition.

ix) Distribution of shareholding

a. Distribution of shareholding by Size as on March 31, 2024

Sr. No.	No. of shares	No. of Shareholders	% of Shareholders	No. of shares held	% of shareholding
1	upto 1 - 5000	1,56,019	88.94	1,70,38,220	10.22
2	5001 - 10000	10,089	5.75	82,01,545	4.92
3	10001 - 20000	4,823	2.75	73,83,830	4.43
4	20001 - 30000	1,559	0.89	39,90,785	2.39
5	30001 - 40000	716	0.41	25,91,195	1.56
6	40001 - 50000	577	0.33	27,58,554	1.66
7	50001 - 100000	867	0.49	64,45,314	3.87
8	100001 & ABOVE	763	0.44	11,82,36,262	70.95
	Total:	1,75,413	100.00	16,66,45,705	100.00

b. Shareholding pattern by Ownership as on March 31, 2024

Sr. No.	Ownership	No. of shares held	% of shareholding
1	Promoters	5,63,91,184	33.84
2	Mutual Funds	36,30,509	2.18
3	Alternative Investment Fund	9,83,323	0.59
4	Banks	25,677	0.02
5	Insurance Companies	12,02,269	0.72
6	NBFC Registered with RBI	28,950	0.02
7	Financial Institutions	130	0.00
8	Foreign Portfolio -Corp	1,29,57,776	7.78

Report on Corporate Governance (Contd.)

Sr. No.	Ownership	No. of shares held	% of shareholding
9	Central Government	1,460	0.00
10	Shareholding by Companies or Bodies Corporate where the Central /State Government is a Promoter	530	0.00
11	Key Managerial Personnel	5,000	0.00
12	Investor Education and Protection Fund (IEPF)	19,99,058	1.20
13	Resident Individuals	7,54,52,466	45.28
14	Non-Resident Indians	21,68,053	1.30
15	Bodies Corporate	86,14,415	5.17
16	Clearing Members	6,432	0.00
17	HUF	31,71,871	1.90
18	Trusts	6,602	0.00
	Total	16,66,45,705	100.00

x) Demat information

The shares of the Company were held in dematerialised form with effect from May 29, 1999. As on March 31, 2024, about 99.02% shareholding representing 16,50,22,123 shares of the Company have been dematerialised. The Company has executed agreements with both NSDL and CDSL for demat of its shares.

ISIN numbers in NSDL and CDSL for equity shares	INE 163A01018
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xi) Outstanding ADRs/GDRs/Warrants or any Convertible instruments, conversion date and likely impact on equity.

The Company has not issued any ADRs/GDRs/Warrants or any Convertible instruments.

xii) Foreign Exchange Risk and Hedging activities:

Risk of exchange rate volatility is mitigated by effecting the imports payments out of the Export Earnings in Foreign Currency. The Company enjoys a natural hedging through the EEFC Account and in case of surplus, the same is adjusted against spot rate / forward rate / Option contracts as may be decided by the Management at the relevant point of time.

xiii) Plant locations

Navi Mumbai : C-37, Trans Thane Creek Industrial Area, Off Thane Belapur Road, Navi Mumbai – 400 705 – Maharashtra, Tel. Nos.: 022 – 66730551 – 4.

Dahej : Plot No. 12/A/1 and 13/B/1, G.I.D.C., Dahej, Village-Ambheta, Tal. Vagra, Dist. Bharuch – Gujarat, Tel. Nos.: 02642 – 392130.

xiv) Address for Correspondence

NOCIL Limited
Mafatlal House, 3rd Floor, H.T. Parekh Marg,
Backbay Reclamation, Churchgate, Mumbai – 400 020.
Email id: investorcare@nocil.com

xv) List of credit ratings obtained

The following ratings have been reaffirmed / assigned to the Company for its Bank facilities:

Bank Facilities	Rating	
	CARE Ratings Limited	CRISIL Limited
Long Term Bank facilities (Fund based)	AA	AA
Short Term Bank facilities (Non-fund based)	A1+	A1+

Report on Corporate Governance (Contd.)

12. Other

A. Disclosure on materially significant related party transactions that may have potential conflict with the interest of the Company at large:

The Company does not have any related party transaction, which may have potential conflict with the larger interests of the Company. The disclosures of transactions with the related parties entered by the Company in the normal course of business are given in the Notes to Financial Statements.

B. Details of non-compliance by the Company, penalties, strictures imposed on the Company by the Stock Exchange or SEBI or any other statutory authority on any matter related to capital markets, during the last three years:

There were no instances of non-compliance of any matter related to the capital markets during the last three years and the Company has complied with the requirements of regulatory authorities on capital markets.

C. Vigil Mechanism / Whistle Blower Policy

The Company has adopted an **Ethical Code of Conduct** for the highest degree of transparency, integrity, accountability, and Corporate Social Responsibility. Any actual or potential violation of the Code would be a matter of serious concern for the Company. The Directors, Employees or any person dealing with the Company can play an important role in pointing out such violations of the code.

Accordingly, this policy has been formulated with a view:

- To provide a mechanism for employees of the Company and other persons dealing with the Company to report to the Chairman of the Audit Committee; or Managing Director who is nominated by the Audit Committee, any instance of unethical behavior, actual or suspected fraud or violation of the Company's Ethics Policy,
- To safeguard the confidentiality and interest of such employees / other persons dealing

with the Company against victimisation, who notice and report any unethical or improper practices and

- To appropriately communicate the existence of such a mechanism, within the organisation and to outsiders.

To meet the objective of the Policy a dedicated e-mail Id – vigilmechanism@nocil.com has been activated.

The Policy has been posted on the website of the Company viz., https://www.nocil.com/wp-content/uploads/2024/01/Vigil_Mechanism_Whistle_Blower_Policy-2.pdf

No employee and or other person has been denied access to the Chairman of the Audit Committee or the Managing Director.

D. Details of compliance with mandatory requirements:

All the mandatory requirements of Regulations 17 to 27 of the Listing Regulations have been complied with by the Company.

E. Policy on Subsidiary Companies

In terms of the conditions/requirements of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Company has adopted a Policy for determining Material Subsidiaries. As a matter of information, as on date, the only Wholly Owned Subsidiary Company viz. PIL Chemicals Ltd is not falling under the category of Materially Unlisted Subsidiary Company in terms of the definition under Regulation 24 of the Listing Regulations. The Policy for determining the Material Subsidiaries is available at <https://www.nocil.com/wp-content/uploads/2023/11/Policy-on-Material-Subsidiaries.pdf>

F. Policy on Related Party Transactions

In terms of Section 188 of the Companies Act, 2013 and the Regulation 23 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Company had formulated a Policy on Materiality of Related Party Transactions.

Report on Corporate Governance (Contd.)

The said Policy is intended to ensure that there is proper approval and reporting of transactions between the Company and its Related parties. This Policy is placed on the website of the Company viz., <https://www.nocil.com/wp-content/uploads/2023/11/Policy-on-Related-Party-Transaction.pdf>

G. Policy on Board Diversity

This Policy aims to set out the approach to achieving diversity for the Board of Directors of the Company. During the year under review, necessary amendments to the Policy have been carried out in line with the regulatory requirements. The policy is placed on the website <https://www.nocil.com/wp-content/uploads/2023/11/Policy-on-appointment-of-directors-Board-diversity.pdf>

The Company believes that the benefits of a professional Board that possesses a balance of skills, experience, and expertise will enhance the decision-making power of the Board which in turn will benefit the stakeholders of the Company.

H. Details of Utilisation of funds

The Company has not raised any funds through preferential allotment or Qualified Institutional Placement as specified under Regulation 32 (7A)

I. Certificate from a Practicing Company Secretary on disqualification of Directors

The Company has obtained a Certificate dated May 03, 2024 from Parikh & Associates., Company Secretaries, Mumbai to the effect that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as a Director of any Company by SEBI / Ministry of Corporate Affairs or any such Statutory Authority.

J. Recommendations of the Committees

During the year under review, there have been no instances of non-acceptance by the Board of Directors of the Company of the recommendations made by the Audit Committee / Nominations and Remuneration Committee / Corporate Social Responsibility Committee on

any matter which is mandatorily required.

K. Fees paid to the Statutory Auditors

Total fees incurred by the Company including its subsidiary, on a consolidated basis to the Statutory Auditors and all entities in their network / firm / network entity of which they are a part, is ₹ 0.5 Crores.

L. Disclosures in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013:

The disclosures for the Financial Year 2023-24 are as under: -

A	Number of complaints filed during the Financial Year	Nil
B	Number of complaints disposed of during the Financial Year	Nil
C	Number of complaints pending as on the end of the Financial Year	Nil

M. Norms for furnishing of PAN, KYC, Bank details and Nomination -Important SEBI Circulars impacting Investors

- Shareholders may kindly note that pursuant to SEBI Circular SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023 effective April 01, 2024, **dividend payments shall be withheld in case of shares held on physical mode where any of the KYC details viz PAN, choice of Nomination, Contact details, Mobile number, Bank details and Specimen signature are not updated as on the record date for payment of dividend viz July 26, 2024.** Further, pursuant to SEBI Circular- SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated 16th March, 2023, an intimation in this regard has been sent to the shareholders holding shares in physical mode on May 31, 2024 about the requirement of updation of KYC details of KYC details. Shareholders are requested to update the KYC details by submitting the relevant ISR forms duly filled in along with self-attested supporting proofs. The forms can be downloaded from the website of the

Report on Corporate Governance (Contd.)

Company and RTA. The Company will not issue dividend warrants in form of Demand Drafts / payorders w.e.f. 1st April, 2024.

- ii. **Simplified forms for processing Investors service requests by the RTA and norms for furnishing of PAN, KYC details and Nomination** : Shareholders may take note of various SEBI Circulars which have laid down simplified forms for processing Investors requests which are accessible on the Company's website <https://www.nocil.com/investors-download/> and also on the RTA's website <https://ris.kfintech.com/clientservices/isc/sebi.aspx>
- iii. **Issuance of Securities in dematerialised form in case of Investor Service Requests and Credit of shares to "Suspense Escrow Demat Account" to be opened by the Company.**

Shareholders may take note of SEBI Circular: SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/dated January 25, 2022, in this regard. The said circular is also available on the Company's website <https://www.nocil.com/investors-download/> and on <https://ris.kfintech.com/clientservices/isc/sebi.aspx> (website of the RTA) .**In terms of the said Circular it is mandatory for the Company to issue shares in dematerialised form while servicing requests from shareholders holding shares in physical form relating to Issuance of duplicates; Renewal /Exchange of share certificates ; Endorsement , Sub-division/splitting of certificates to be Transmission; Transposition etc.** The said circular gives the detailed procedure in this regard to be followed by the shareholders.

- iv. **Simplification of the procedure and standardisation of formats of documents for issuance of duplicate share certificates**

Shareholders may take note of SEBI Circular: SEBI/HO/MIRSD_RTAAAMB/P/CIR/2022/70 dated May 25, 2022, in this regard. The said

circular is also available on the Company's website <https://www.nocil.com/investors-download/> and on <https://ris.kfintech.com/clientservices/isc/sebi.aspx> (website of the RTA)

- v. **Simplification of the procedure and standardisation of formats of documents for Transmission of shares**

Shareholders may take note of SEBI Circular: SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/65 dated May 18, 2022, in this regard. The said circular is also available on the Company's website <https://www.nocil.com/investors-download/> and on <https://ris.kfintech.com/clientservices/isc/sebi.aspx> (website of the RTA).

- vi. **Online Dispute Resolution Mechanism introduced by SEBI**

SEBI has streamlined the existing dispute resolution mechanism under the aegis of Stock Exchanges and Depositories (collectively referred to as Market Infrastructure Institutions (MIIs)), by expanding their scope and by establishing a common Online Dispute Resolution Portal ("ODR Portal") which harnesses online conciliation and online arbitration for resolution of disputes. Shareholders may take note of SEBI Circulars: SEBI/HO/OIAE/2023/03391 dated January 27, 2023, SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/131 dated July 31, 2023, SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/145 dated July 31, 2023 Updated as on August 04, 2023, SEBI/HO/OIAE/IGRD/CIR/P/2023/156 dated September 20, 2023 and SEBI/HO/OIAE/OIAE_IAD-3/P/CIR/2023/191 dated December 20 , 2023 in this regard. The said circulars are also available on the Company's website <https://www.nocil.com/investors-download/> and on <https://ris.kfintech.com/clientservices/isc/sebi.aspx> (website of the RTA).

Report on Corporate Governance (Contd.)

13. Discretionary Disclosures

The status of compliance with non-mandatory recommendations of the Listing Regulations:

a. Shareholders' Rights:

As the quarterly and half yearly, financial results are published in the newspapers and are also posted on the Company's website, the same are not being sent separately to the shareholders.

b. Audit Qualifications:

The Company's financial statements for the financial year 2023-24 do not contain any audit qualification.

c. Separate posts of Chairman and CEO:

The Company presently is having a separate post of an Executive Chairman and the Managing Director.

d. Reporting of Internal Auditor:

The Internal Auditors of the Company make presentations to the Audit Committee on their reports as per the approved audit programmes by the Audit Committee at the beginning of the year on a quarterly basis.

14. Management Discussion and Analysis:

Management Discussion and Analysis forms a part of this Annual Report.

15. Declaration of compliance with the Code of Conduct / Ethics:

In compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has formulated a Code of Conduct for prohibition and prevention of Insider Trading for its designated employees. The said Code lays down Guidelines and procedures to be followed and disclosures to be made while dealing with equity shares of the Company. The Company has also installed a dedicated software tool titled "**trackin**" devised by a professional software provider.

As required by the SEBI Prohibition of Insider Trading Regulations, 2015 -- the said tool also facilitates maintaining of a **Structured Digital Database (SDD)**. The said tool has inbuilt features to keep a track of trading in shares by Designated Employees/ Persons and facilitates online notification of Closure of Trading window, seeking pre-clearance of trades from the Compliance Officer, Annual Declarations etc.

All the Directors and Senior Management have affirmed compliance with the Code of Conduct / Ethics as approved and adopted by the Board of Directors.



Report on Corporate Governance (Contd.)

ANNEXURE TO CORPORATE GOVERNANCE REPORT

Declaration regarding affirmation of Code of Conduct

In terms of the requirements of Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015, this is to confirm that all the members of the Board and the Senior Management personnel have affirmed compliance with the Code of Conduct for the year ended March 31, 2024.

Place : Mumbai

Date : May 29, 2024

Anand V.S.

Managing Director

Report on Corporate Governance (Contd.)

PRACTISING COMPANY SECRETARIES' CERTIFICATE ON CORPORATE GOVERNANCE

**TO
THE MEMBERS OF
NOCIL LIMITED**

We have examined the compliance of the conditions of Corporate Governance by NOCIL Limited ('the Company') for the year ended on March 31, 2024, as stipulated under Regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and para C, D & E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, the representations made by the Directors and the management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India, we certify that the Company has generally complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2024.

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

For Parikh & Associates
Company Secretaries

Signature:

Mitesh Dhabliwala
Partner

FCS No: 8331 CP No: 9511
UDIN: F008331F000480022
PR No.: 1129/2021

Place: Mumbai
Date: May 29, 2024

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT



SECTION **A** GENERAL DISCLOSURES

I. Details of the Listed Entity

1. Corporate Identity Number (CIN) of the Listed Entity	L99999MH1961PLC012003						
2. Name of the Listed Entity	NOCIL Limited (Hereinafter referred to in this Report as 'NOCIL, the Company')						
3. Year of incorporation	1961						
4. Registered office address	3rd Floor, Mafatlal House, H. T. Parekh Marg, Backbay Reclamation, Churchgate, Mumbai 400020						
5. Corporate address	3rd Floor, Mafatlal House, H. T. Parekh Marg, Backbay Reclamation, Churchgate, Mumbai 400020						
6. E-mail	investorcare@nocil.com						
7. Telephone	022 - 6636 4062						
8. Website	http://www.nocil.com/						
9. Financial year for which reporting is being done	2023-24						
10. Name of the Stock Exchange(s) where shares are listed	<table border="1"> <thead> <tr> <th>Name of the Exchange</th><th>Stock Code</th></tr> </thead> <tbody> <tr> <td>BSE</td><td>500730</td></tr> <tr> <td>NSE</td><td>INE163A01018</td></tr> </tbody> </table>	Name of the Exchange	Stock Code	BSE	500730	NSE	INE163A01018
Name of the Exchange	Stock Code						
BSE	500730						
NSE	INE163A01018						
11. Paid-up Capital	₹ 1,66,64,57,050/-						
12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	<p>Mr. Amit K. Vyas Company Secretary Email id: amit.vyas@nocil.com Tel No.: 022 - 6636 4054</p>						
13. Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	The disclosures are made on a standalone basis for NOCIL Limited						
14. Name of assurance provider-	Not Applicable for the reporting period as per SEBI Circular No. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dt. July 12, 2023. However the Company has voluntarily subjected its BRSR to "Limited Assurance" (Independent) conducted by TUV SUD.						
15. Type of assurance obtained	Not Applicable for the reporting period as per SEBI Circular No. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dt. July 12, 2023. However the Company has voluntarily subjected its BRSR to "Limited Assurance" (Independent) conducted by TUV SUD.						



II. Products/services

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

Description of Main Activity	Description of Business Activity	% of Turnover of the entity
Manufacture and Sale of Rubber Chemicals	Manufacture and Sale of Rubber Chemicals	100.00

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

Product/ Service	NIC Code	% of Turnover contributed
Rubber Chemicals and Accelerators	20119	100.00

III. Operations

18. Number of locations where Plants and/or Operations/Offices of the Entity are situated:

Location	Number of Plants	Number of Offices	Total
National	2	4	6
International*	Nil	Nil	Nil

*Note- the Company serves markets in 40 countries worldwide but does not have any Plants, offices or operations in these locations.

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States & UTs)	▶ 29 States & 9 Union territories
International (No. of Countries)	▶ 40

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

Total contribution of exports as a percentage of total turnover of the entity for the reporting period was 32.69%

c. A brief on types of customers:

The Company specialises in the production of rubber chemicals, catering primarily to the tire and other rubber product manufacturing industry. Distinguished by its comprehensive range of offerings, the Company stands out in chemical industry for its ability to tailor products to meet specific customer requirements. Drawing from a wealth of experience and positioning itself as a one-stop solution provider, the Company has earned a reputation as a trusted supplier of rubber chemicals. Recognised for its advanced technical capabilities, it maintains a competitive edge in the market.

Today, NOCIL stands as India's largest manufacturer of rubber chemicals, boasting state-of-the-art technology for production. Operating exclusively within the B2B segment, NOCIL's commitment to excellence underscores its leadership position in the industry.

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	621	590	95.01	31	4.99
2.	Other than Permanent (E)	56	50	89.29	6	10.71
3.	Total employees (D + E)	677	640	94.53	37	5.47
WORKERS						
4.	Permanent (F)	73	73	100.00	0	0.00
5.	Other than Permanent (G)	470	470	100.00	0	0.00
6.	Total workers (F + G)	543	543	100.00	0	0.00

Note- The term Employee includes:

- Permanent- Management Staff
- Other than Permanent- Retainers, Fixed Term Employees (FTE)

The term Workers Includes:

- Permanent- Bargainable (Unionised)
- Other than Permanent- Contract labour employed by contractors.

b. Differently abled Employees and Workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	0	0	0.0	0	0.0
2.	Other than Permanent (E)	0	0	0.0	0	0.0
3.	Total differently abled employees (D + E)	0	0	0.0	0	0.0
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	1	1	100.00	0	0.0
5.	Other than permanent (G)	0	0	0.0	0	0.0
6.	Total differently abled workers (F + G)	1	1	100.00	0	0.0

21. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	13	2	15.38
Key Management Personnel	4	0	0.00

Note:

- The Board of Directors consists of the Executive Chairman, Managing Director, Non- Executive Non Independent Director & Independent Directors.
- "KMPs" comprise of the Executive Chairman, Managing Director, Chief Financial Officer (CFO) and the Company Secretary (CS), During the F.Y. 2022-23, the number of Key Managerial Personnel (KMPs) was five. However, for the 2023-24, this number has decreased to four consequent to the superannuation of Mr. S.R. Deo , Managing Director on July 31,2023.

22. Turnover rate for Permanent Employees and Workers (in percent)

	2023-24			2022-23			2021-22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	26.73	1.41	28.14	24.36	1.27	25.63	23.38	0.35	23.73
Permanent Workers	13.70	0.00	13.70	16.87	0.00	16.87	8.49	0.00	8.49

Note: Superannuated Employees and Workmen are not included.

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

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

Name of the holding/ subsidiary/ associate companies/ joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
PIL Chemicals Limited	Subsidiary	100.00	No

24. CSR Details

- Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No): Yes
- Turnover (in ₹) (FY 2023-24): ₹ 1,444.66 Crores
- Net worth (in ₹) (FY 2023-24): ₹ 1,695.70 Crores



VI. Transparency and Disclosures Compliances

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

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/ No) (If Yes, then provide web-link for grievance redress policy)	2023-24			2022-23		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	NOCIL does not have a distinct mechanism for addressing community grievances. Instead, it relies on a comprehensive CSR policy and actively participates in various CSR activities, ensuring that community concerns are addressed and fostering a positive social impact. (URL - https://www.nocil.com/wp-content/uploads/2023/11/CSR-Policy-NOCIL.pdf)	Nil	Nil	NA	Nil	Nil	NA
Investors (other than shareholders)	NA	Nil	Nil	NA	Nil	Nil	NA
Shareholders	To address shareholder grievances the Company has implemented an Investor Grievance Redressal Policy. This policy ensures that all investor concerns are promptly and efficiently managed, fostering transparency and trust between the Company and its shareholders. (URL - https://www.nocil.com/wp-content/uploads/2024/04/Investor-grievance-redressal-policy.pdf)	13	0	All the Complaints were resolved satisfactorily	6	0	All the complaints were resolved satisfactorily

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/ No) (If Yes, then provide web-link for grievance redress policy)	2023-24			2022-23		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Employees and workers	<p>Yes- The following Policies have provided a Grievance Redressal Mechanism for Employees & Members</p> <p>(i) Human Rights Policy</p> <p>(ii) Policy on prevention of sexual Harassment</p> <p>(iii) Vigil Mechanism Policy</p> <p>https://www.nocil.com/wp-content/uploads/2023/11/Humans-Rights-Policy.pdf</p> <p>https://www.nocil.com/wp-content/uploads/2023/11/Policy-on-Prevention-of-Sexual-Harrasment.pdf</p> <p>https://www.nocil.com/wp-content/uploads/2024/01/Vigil-Mechanism-Whistle-Blower-Policy-2.pdf</p>	Nil	Nil	NA	Nil	Nil	NA
Customers	A robust procedure for handling Customer complaint has been put in place.	15	Nil	All complaints are satisfactory resolved	11	Nil	All complaints are satisfactory resolved
Value Chain Partners	<p>Yes</p> <p>The Grievance Redressal Mechanism is contained in the "Sustainable Procurement Policy."</p> <p>https://www.nocil.com/wp-content/uploads/2024/04/Sustainable-Procurement-Policy.pdf</p>	Nil	Nil	NA	Nil	Nil	NA



26. Overview of the entity's material responsible business conduct issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	GHG Emissions	Risk	Chemical manufacturing operations produce direct greenhouse gas (GHG) emissions through two primary sources: the combustion of fossil fuels in manufacturing & co-generation processes and the chemical transformation of feedstock's, which generates process emissions. These emissions not only contribute to environmental impacts but also pose regulatory compliance challenges and operational risks for companies in the chemical sector. The financial implications of these emissions can vary widely, depending on factors such as emission levels and the stringency of regulations in place. As countries worldwide intensify efforts to curb emissions, the chemical industry may face increasingly stringent regulatory measures aimed at limiting or reducing GHG emissions.	To reduce greenhouse gas (GHG) emissions, the Company has adopted a range of impactful initiatives. Usage of eco-friendly fuel sources & power sources has been one of our key initiatives to combat GHG emissions generated through our activities. Our both Navi Mumbai and Dahej units have acquired ISO 14001 (Environmental Management System) and ISO 50001 (Energy Management System) certifications, demonstrating our commitment to environmental management and energy efficiency.	Negative (There were no negative financial implications for the 2023-24)

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
2	Air Quality	Risk	<p>Apart from greenhouse gases (GHGs), chemical manufacturing operations can also generate air emissions such as sulfur dioxides (SOx), nitrogen oxides (NOx), and Hazardous Air Pollutants (HAPs). Similar to GHGs, these emissions primarily originate from fuel combustion and feedstock processing activities within chemical production processes. Compared to other sectors, the chemical industry tends to be a notable contributor to some of these emissions. The combustion of fuels and chemical transformation processes inherent to chemical manufacturing can release these pollutants into the atmosphere, contributing to environmental concerns and potential health hazards. Given the significant impact of these emissions, chemical companies must prioritise implementing measures to mitigate their release, ensuring compliance with environmental regulations and safeguarding public health and the environment.</p>	<p>To improve air quality, the Company has implemented several robust initiatives to control the emissions of particulate matter significantly reducing airborne pollutants. Additionally, constant camera surveillance of the stacks ensures real-time monitoring, while regular inspections by a Ministry of Environment, Forest and Climate Change (MoEF) certified lab further ensure compliance with environmental standards. The Company's commitment to air quality management is also demonstrated by its acquisition of the ISO 14001 certificate for environmental management, underscoring its dedication to maintaining high environmental and operational standards.</p>	<p>Negative</p> <p>(There were no negative financial implications for the 2023-24)</p>



S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
3	Energy Management	Risk	The chemical manufacturing industry is known for its high energy consumption, which is essential for powering various processes, co-generation plants, machinery and auxiliary facilities. The specific energy sources utilised, the amount consumed, and the strategies employed for energy management are contingent upon the nature of the products being manufactured. Typically, fossil fuels such as natural gas and natural gas liquids serve as the primary non-feedstock energy sources, while purchased electricity may also constitute a significant portion of the energy mix. Consequently, expenditures on energy procurement often constitute a substantial portion of overall production costs. Given the industry's reliance on energy-intensive processes, optimising energy utilisation and exploring alternative energy sources are critical endeavours for enhancing operational efficiency, reducing costs, and minimising environmental impacts.	The Company has adopted a multifaceted approach for energy management, integrating paralleled R&D initiatives to innovate and improve energy efficiency. By implementing the ISO -50001 Energy Management System standards, the Company has systematically reduced energy consumption across its operations. These efforts are part of a broader strategy to formulate environmental policies that promote sustainable growth. Additionally, the Company is focused on reducing carbon emission intensity, thereby minimising its environmental footprint and contributing to global sustainability goals. Through these comprehensive initiatives, the Company not only enhances operational efficiency but also demonstrates a strong commitment to environmental stewardship.	Negative (There were no negative financial implications for the 2023-24)

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
4	Water and Waste-Water Management	Risk	Water plays a crucial role as a process input in the production of chemicals, primarily serving functions such as cooling, steam generation, and feedstock processing. Historical trends underscore a sustained rise in water scarcity and associated costs, with expectations pointing towards continued increases. The drivers behind this trend include factors like excessive consumption, limited supplies due to population growth and shifts, pollution and the impacts of climate change. These circumstances emphasise the escalating significance of effective water management practices within the chemical manufacturing industry.	The Company has adopted various initiatives for water and wastewater management, recognising water's critical role in its processes. This need is underscored by historical increase in water scarcity and costs, driven by overconsumption, constrained supplies, pollution and climate change. NOCIL strictly adheres to rigorous environmental regulations, ensuring proper wastewater handling and disposal. The Company actively seeks to minimise waste through reducing, reusing, and recycling strategies, aligning with circular economy principles to optimise resource efficiency and minimise environmental impact. These efforts safeguard ecosystems and contribute to a sustainable future by reducing landfill waste.	Negative (There were no negative financial implications for the 2023-24)



S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5	Hazardous Materials Management	Risk	Chemical manufacturing has the potential to produce hazardous process waste, encompassing substances such as heavy metals, spent acids, catalysts, and sludge from wastewater treatment. Corporations encounter both regulatory and operational complexities in handling such waste, given that specific regulations govern its transportation, treatment, storage and disposal. Strategies for waste management involve minimising waste generation, implementing efficient treatment and disposal methods, and exploring opportunities for recycling and recovery whenever feasible.	The Company is committed to integrating cutting-edge technologies, including 'Green Chemistry' , into its operations. Its research Centre boasts an experienced team dedicated to advanced environmental research and 'Green Chemistry' , thereby promoting Sustainable business practices. As a responsible corporate citizen, the Company has adopted and implemented the '5S Workplace' Organisation Method to promote productivity, safety, and waste reduction. On the pollution prevention and waste management front, it has implemented a '3Rs' strategy - 'Reduce, Reuse and Recycle' - to maintain a Sustainable environment	Negative (There were no negative financial implications for the 2023-24)

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
6	Human Rights and Community Relations	Risk	<p>Chemical companies play a vital role in contributing to the economic prosperity of community by generating employment opportunities and fostering community development through tax contributions and capital generation. Simultaneously, issues related to environmental policy, community health, and process safety carry significant regulatory, operational, financial and reputational implications for these Companies.</p> <p>Environmental externalities, such as air emissions and water usage can have long-term impacts on health of individuals residing in proximity to chemical facilities. Additionally, process safety incidents pose a direct threat to community health and safety, potentially resulting in regulatory penalties, legal proceedings and associated mitigation costs.</p>	<p>Through its efforts to reduce greenhouse gas emissions & other industrial emissions and effluents, NOCIL has been ensuring that its community residing around its plant is not impacted adversely. Further, there is constant review of safety & health processes in order to prevent any kind of mishap.</p>	<p>Negative</p> <p>(There were no negative financial implications for the 2023-24)</p>
7	Employee Health and Safety	Risk	<p>Workers within chemical manufacturing facilities are exposed to various health and safety risks arising from factors such as interaction with heavy machinery, exposure to hazardous substances, working in conditions involving elevated temperatures and pressure, and potential electrical hazards, among other occupational perils. The diverse nature of these risks underscores the importance of implementing robust safety protocols and ensuring a vigilant adherence to workplace safety standards to safeguard the well-being of employees. Comprehensive training programs, the use of protective equipment, and the continuous monitoring of workplace conditions are essential components of maintaining a secure working environment within chemical manufacturing facilities.</p>	<p>For NOCIL, its human resources matter the most. Considering the occupational hazards that our processes have, NOCIL has extended the health insurance coverage and other facilities to its employees and workers. Addressing these risks not only protects the health and safety of employees but also contributes to the overall efficiency, morale and resilience of the workforce.</p>	<p>Negative</p> <p>(There were no negative financial implications for the 2023-24)</p>



S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
8	Product Lifecycle Management	Opportunity	As the demand for improved materials efficiency and reduced energy consumption and emissions intensifies due to escalating resource scarcity and tightening regulations, the Chemical industry is poised to gain by focusing on the development of products that enhance customer efficiency. This shift encompasses a broad spectrum of opportunities, ranging from optimising materials to decrease automobile emissions to enhancing the performance of building insulation materials. Through innovative chemical solutions, the industry can significantly contribute to efficiency improvements across various applications and sectors. By aligning product development efforts with the evolving needs of customers and societal demands for sustainability, chemical companies can- not only drive market growth but also position themselves as key enablers of a more resource-efficient and environmentally friendly future.	Not Applicable	Positive
9	Management of the Legal and Regulatory Environment	Opportunity	The chemicals sector operates under stringent regulations that oversee various aspects, including air emissions, water discharge, chemical safety and process safety. The ability to foresee and adjust to regulatory changes, both in the immediate and distant future, is a crucial concern for the industry. These regulatory shifts hold substantial influence over product demand, manufacturing expenses, and the overall brand value of companies within the sector. Navigating and staying ahead of evolving regulations is imperative for chemical companies to maintain compliance, adapt their operations effectively, and sustain a positive standing in the market. NOCIL has been able to manage, monitor and adhere to relevant applicable regulatory requirements, which is evident from the fact that there has been no any material instances of fines/ penalties due to non-compliance.	Not Applicable	Negative

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
10	Critical Incident Risk Management	Risk	Ensuring health, safety, and effective emergency management remains a paramount concern for companies operating within the Chemicals industry. Incidents such as technical malfunctions, human errors, or external factors like adverse weather conditions can trigger accidental releases of chemical substances into the surrounding environment, whether during processing, storage, or transportation activities. Moreover, given the combustible nature of these substances and the rigorous conditions involved in manufacturing processes—including high temperatures and pressures—the risk of explosions, hazardous spills, or other emergency scenarios is heightened. Such occurrences not only pose immediate threats to the safety of workers and nearby communities but also have the potential to release harmful air emissions and chemicals into the environment, resulting in adverse ecological impacts.	To overcome the risk posed by critical risk incidents, NOCIL follows stringent safety & security protocols and any deviation observed is immediately addressed to.	Negative (There were no negative financial implications for the 2023-24)

- 1 Material issues identified are referred from the Sustainability Accounting Standards Board (SASB) 2023-24 version. SASB Standards are maintained and enhanced by the International Sustainability Standards Board (ISSB); this follows the SASB's merger with the International Integrated Reporting Council (IIRC) into the Value Reporting Foundation (VRF) and subsequent consolidation into the IFRS® Foundation in 2022.

SECTION B MANAGEMENT AND PROCESS DISCLOSURES

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

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available	Please see the list of policies below for Policies available on the website:								

Sr. No	Name of policy	Link to Policy	Which Principles each policy goes into
1.	Business Ethics Policy	https://www.nocil.com/wp-content/uploads/2023/11/Business-Ethics-Policy.pdf	P1
2.	Code of Conduct for Directors and Senior Management Personnel	https://www.nocil.com/wp-content/uploads/2023/11/Code-of-Conduct.pdf	P1
3.	Conflict of Interest Policy	https://www.nocil.com/wp-content/uploads/2023/11/Conflict-of-Interest-Policy.pdf	P1
4.	Corporate Gifting Policy	https://www.nocil.com/wp-content/uploads/2023/11/Corporate-Gifting-Policy.pdf	P1, 7
5.	Corporate Sustainability Policy	https://www.nocil.com/wp-content/uploads/2023/11/Corporate-Sustainability-Policy.pdf	P2, P6
6.	Corporate Social Responsibility (CSR) Policy	https://www.nocil.com/wp-content/uploads/2023/11/CSR-Policy-NOCIL.pdf	P4, P8
7.	Dividend Distribution Policy	https://www.nocil.com/wp-content/uploads/2023/11/Dividend-Distribution-Policy-2018.pdf	P1
8.	Fair Competition Policy	https://www.nocil.com/wp-content/uploads/2023/11/Fair-Competition-Policy.pdf	P1
9.	Familiarisation Programme for Independent Directors	https://www.nocil.com/wp-content/uploads/2024/06/Familiarization-Programme-for-IDS.pdf	P1
10.	Grievance Policy for external stakeholders	https://www.nocil.com/wp-content/uploads/2023/11/Grievance-Policy-for-external-stakeholders.pdf	P3

Sr. No	Name of policy	Link to Policy	Which Principles each policy goes into
11.	Human Rights Policy	https://www.nocil.com/wp-content/uploads/2023/11/Humans-Rights-Policy.pdf	P5
12.	Investor Grievances Redressal Policy	https://www.nocil.com/wp-content/uploads/2024/04/Investor-grievance-redressal-policy.pdf	P3
13.	Policy for Determining Material Subsidiaries	https://www.nocil.com/wp-content/uploads/2023/11/Policy-on-Material-Subsidiaries.pdf	P1
14.	Policy on appointment of Directors & Board Diversity	https://www.nocil.com/wp-content/uploads/2023/11/Policy-on-appointment-of-directors-Board-diversity.pdf	P1
15.	Policy on Diversity, Equality & Inclusion	https://www.nocil.com/wp-content/uploads/2023/11/Policy-on-diversity-equity-and-inclusion.pdf	P4, P5, P8
16.	Policy on Materiality of Events	https://www.nocil.com/wp-content/uploads/2024/04/Materiality-Policy.pdf	P1, P7
17.	Policy on Preservation and Archival of Documents/Records	https://www.nocil.com/wp-content/uploads/2023/11/Policy-on-Preservation-and-Archival-of-Documents-records.pdf	P1
18.	Policy on Prevention of Sexual Harassment	https://www.nocil.com/wp-content/uploads/2023/11/Policy-on-Prevention-of-Sexual-Harrasment.pdf	P5
19.	Policy on Related Party Transaction	https://www.nocil.com/wp-content/uploads/2023/11/Policy-on-Related-Party-Transaction.pdf	P1
20.	Policy on Remuneration	https://www.nocil.com/wp-content/uploads/2023/11/Remuneration-Policy.pdf	P5
21.	Privacy Policy	https://www.nocil.com/wp-content/uploads/2023/11/Privacy-Policy.pdf	P9
22.	Risk Management Policy	https://www.nocil.com/wp-content/uploads/2023/11/NOCIL-RISK-MANAGEMENT-POLICY.pdf	P1
23.	Social Media Policy	https://www.nocil.com/wp-content/uploads/2023/11/Social-Media-Policy.pdf	P9
24.	Vigil Mechanism and Whistle Blower Policy	https://www.nocil.com/wp-content/uploads/2024/01/Vigil_Mechanism_Whistle_Blower_Policy-2.pdf	P1
25.	HIV Policy	https://www.nocil.com/wp-content/uploads/2024/04/HIV-Policy.pdf	P3
26.	Sustainable Procurement Policy	https://www.nocil.com/wp-content/uploads/2024/04/Sustainable-Procurement-Policy.pdf	P1, P6

HR-related policies have been uploaded on the intranet and hence are accessible to all the employees.



Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4. Name of the national and international codes/ certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	<p>ISO 17025: 2017: Quality Assurance and Marketing Technical Services Lab- (Navi Mumbai Plant)</p> <p>ISO 14001: 2015: Environment Management System. (Head Office (HO) and all manufacturing plants and regional offices)</p> <p>ISO 45001: 2018: Occupational Health & Safety Management System. (Head Office (HO) and all manufacturing plants and regional offices)</p> <p>ISO 50001: 2018: Energy Management System. (Navi Mumbai Plant)</p> <p>ISO 9001:2015: Quality Management System. (Head Office (HO) and all manufacturing plants and regional offices)</p> <p>IATF 16949:2016: Automotive Quality Management System. (Head Office (HO) and all manufacturing plants and regional offices)</p> <p>Responsible Care (RC): NOCIL is one of the only 86 companies in India that holds certification for 'Responsible Care' – the Global Chemical Industry's initiative, focussed on Environmental, Health, and Safety (EHS) improvements since 2018 (Navi Mumbai and Dahej Plant)</p> <p>BIS Registration for Pilflex -13.</p> <p>(For the Navi Mumbai plant)</p>								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	<p>The Company has a steadfast commitment to uphold rigorous environmental standards across its operations, placing special emphasis on areas such as energy management, waste reduction and water conservation. Additionally, it has established clear workplace safety targets to ensure the well-being of its employees. While complying with regulatory mandates, the Company actively seeks ways to enhance the efficiency of its research and development processes, recognising the dual benefits of such endeavours for both its customers and the environment.</p> <p>The Company considers contributing to India's ambitious goal of reaching a USD 5 trillion economy by 2025 and attaining a net-zero emission target by 2070 as its prime responsibility. NOCIL has committed a Science Based near term Target Initiative and it is in the process of developing its target & strategy</p>								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.									

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Governance, leadership and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements									
<p>The Company is not only committed to meeting environmental regulations but also strives to incorporate state-of-the-art technologies, including Green Chemistry, into its operations. To this end, the Company's Research Centre boasts a seasoned team dedicated to conducting advanced environmental research and promoting the principles of Green Chemistry, thus advancing sustainable business practices. Demonstrating its commitment to responsible corporate citizenship, the Company has embraced and put into action the '5S Workplace Organisation Method' to enhance productivity, ensure safety, and minimise waste generation.</p> <p>Furthermore, the Company has taken proactive steps in pollution prevention and waste management by implementing a '3Rs' strategy, which focuses on reducing, reusing, and recycling materials. By adopting these sustainable practices, the Company not only fulfils its environmental stewardship responsibilities but also contributes to the creation of a greener and more sustainable future for generations to come.</p>									
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).									
<p>Mr. Anand V.S. (Managing Director)</p> <p>DIN:07918665</p> <p>Email id: investorcare@nocil.com</p>									
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.									
<p>Yes. The Company has formed Core Committee on Sustainability that comprises of key leadership figures, including the Managing Director, Group Heads and the Company Secretary. This Committee is tasked with supervising and evaluating the Company's advancements in meeting Environmental, Social and Governance (ESG) criteria. Additionally, the Core Committee plays a pivotal role in endorsing the adoption of new policies and adjustments to existing ones as part of the Company's commitment to sustainability efforts.</p>									

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was under taken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	The Company's policies undergo periodic reviews either quarterly or when the need arises, conducted by Heads of Departments (HoDs), and the Managing Director (MD). These reviews assess the effectiveness of the policies and incorporate any necessary revisions. No significant instances of material non-compliance have been reported, and operational concerns are continuously addressed as they arise. The Company has implemented a systematic compliance program to monitor and ensure adherence to regulations in real-time.									On a periodic basis -by the Core Committee on Sustainability .								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances										On a Quarterly basis - Legal Compliance review by the Board of Directors . On a Quarterly basis - Reviewed by the Safety Committee .								

	P1	P2	P3	P4	P5	P6	P7	P8	P9
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	Yes, the Company has carried out independent assessments and evaluations of its policies by external agencies. The Company undergoes the 'EcoVadis Sustainability survey' annually. Dhir and Dhir Associates, an eminent law firm have been retained to aid in the formulation of necessary policies related to Environmental, Social, and Governance (ESG) matters, as well as to address social and governance issues. Additionally, TUV SUD was engaged to conduct an independent assurance of the non-financial parameters of the Company's Business Responsibility & Sustainability Report (BRSR) for F.Y. 2023-24, and TUV SUD has submitted its Independent Assurance Statement.								

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

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

SECTION **C** PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE

01

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

Essential Indicators

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

Segment	Total Number of training and awareness programmes held	Topics/ principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors	3	Discussion on ESG initiatives towards complying with the SEBI directions for preparation of the Business Responsibility & Sustainability Reporting (BRSR) format and the GRI (Global Reporting Initiative) as per Customer Requirements	> 90.00 of targeted participants
Key Managerial Personnel	6	Discussion on ESG initiatives towards complying with the SEBI directions for preparation of the Business Responsibility & Sustainability Reporting (BRSR) format and the GRI (Global Reporting Initiative) as per Customer Requirements	> 90.00 of targeted participants
Employees other than BoD and KMPs and Workers	99	Health Safety and Environment Leadership development, Skill Development Capacity Building Programs	100
	3	Code of conduct, Business Ethics,	
	3	POSH	
	8	Compliance Management	



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

Note- The Company, its Directors and/or KMPs have not been subjected to any thresholds of the materiality policy to pay any fines, penalties, punishments, awards, compounding fees, or settlement amounts in the financial year

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

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

Case Details	Name of the regulatory/enforcement agencies/judicial institutions
Not Applicable as there are no instances of any appeals or revisions	

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

Bribery and corruption pose significant threats to business operations, tarnishing an organisation's reputation and jeopardizing its market viability. To address these risks, the Company has implemented a comprehensive Business Ethics Policy that encompasses Anti-Bribery and Anti-Corruption measures. Robust internal controls have been established to prevent employees from engaging in unethical behaviour. The Business Ethics Policy has been disseminated to all Group Heads and Senior Management personnel, with clear instructions to cascade it down to all employees within each department for rigorous compliance. All employees have been sensitised on the imperative need to comply with the said Ethical Code of Conduct by way of deployment of impactful e-learning modules in the form of short films based on the real-life scenarios and backed by the NOCIL 's core Policies. The said e-learning modules also have an in-built mechanism for mandatory online testing to ensure that the Code is understood and complied in letter and spirit by all the employees. The said e-learning modules cover the Policies on Anti-corruption/Anti-Bribery, Vigil mechanism/Whistle blower, social media, Gift prohibition, Conflict of interest, Diversity, Equity & Inclusion, and anti- Discrimination etc)

For reference, the Policy can be accessed through the provided URL. <https://www.nocil.com/wp-content/uploads/2023/11/Business-Ethics-Policy.pdf>

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

	2023-24	2022-23
Directors	Nil	
KMPs		
Employees		
Workers		

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

	2023-24		2022-23	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of conflict of interest of the Directors		There have been no instances of conflict of interest involving any directors or key management personnel within our organisation. Our commitment to transparency and ethical conduct ensures that decisions are made with utmost integrity, fostering trust and accountability.		
Number of complaints received in relation to issues of Conflict of Interest of the KMPs				

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

Throughout the reporting year, there were no instances of corruption or conflicts of interest that necessitated intervention from regulators, law enforcement agencies, or judicial institutions.

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

	2023-24	2022-23
Number of days of accounts payables	37	47

**9. Openness of Business**

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

Parameter	Metrics	2023-24	2022-23
Concentration of Purchases	Purchases from Trading houses as % of total purchases	45.20	51.80
	Number of trading houses where purchases are made from	75	79
	Purchases from top 10 trading houses as % of total purchases from trading houses	77.70	73.80
Concentration of Sales	Sales to dealers/distributors as % of total sales	23 %	22%
	Number of dealers/distributors to whom sales are made	39%	37%
	Sales to top 10 dealers/distributors as % of total sales to dealers/distributors	54%	55%
Share of RPTs in	Purchases (Purchases with related parties/Total Purchases)	0.0	0.0
	Sales (Sales to related parties/Total Sales)	0.0	0.0
	Loans & advances (Loans & advances given to related parties/Total loans & advances)	0.0	0.0
	Investments (Investments in related parties/Total Investments made)	33%	28%

Leadership Indicators /

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

Total number of awareness programmes held	Topic/principles covered under the training	% age of value chain partners covered (by value of business done with such partners) that were assessed
100	Sustainable procurement & ESG, Health, Safety & Environment trainings Capacity Building Programs	>90.00 of targeted participants

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

Yes, the Company has processes in place to avoid and manage conflicts of interest involving members of the Board. The Company has adopted a Conflict of Interest Policy and a Related Party Transactions Policy in compliance with Section 188 of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. Although there have been no incidents of conflict of interest to date, the Company has stringent processes in place to handle such situations should they arise. These practices are meticulously recorded in the meeting minutes, ensuring transparency and accountability in the decision-making process.

PRINCIPLE

02

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

Essential Indicators

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

	2023-24	2022-23	Details of Improvements in environmental and social impacts
R&D	96.67%	88.42%	Current process improvements and new molecule development.
Capex	3.33%	11.58%	

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

Yes. We've established a Sustainable Procurement Policy along with corresponding procedures.

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

The Company remains committed to ongoing enhancements in Environmental Protection, Health, Safety, and the Secure Transportation of both raw materials and finished products. We consistently invest in the adoption of innovative environmental technologies to ensure long-term sustainability. Additionally, over 44.94% of our raw materials are sourced in a sustainable manner, underlining our dedication to responsible procurement practices.

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

The Company uses distillation/extraction methods for purification purposes. Our Research and Development team consistently focuses on waste reduction efforts to enhance process yields, thereby contributing to pollution mitigation. Additionally, the Company prioritises compliance with the Environment (Protection) Act, 1986, and the Plastic Waste Management Rules, 2024, alongside the Manufacture, Storage & Import of Hazardous Chemicals Rules, 1989.

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

The Company has taken the required measures to do the registration for the Extended Producer Responsibility (EPR) provisions under Plastic Waste Management Rules, 2016.

Leadership Indicators /

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

NIC Code	Name of Product/Service	% of total Turnover Contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
20119	Antioxidant	58%	Cradle to Grave	Yes	No

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

Name of Product/ Service	Description of the risk/ concern	Action Taken
No significant risk / hazard identified in LCA .The Company adheres rigorously to the regulatory framework governing business operations, ensuring that there are no substantial social or environmental issues or risks associated with our production processes.		

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

Indicate input material	Recycled or re-used input material to total material	
	2023-24	2022-23
Raw Materials and Solvents	10.00	10.00

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

	2023-24			2022-23		
	Re-Used	Recycled	Safely Disposed (In Metric Tonnes)	Re-Used	Recycled	Safely Disposed (In Metric Tonnes)
Plastics (including packaging)	Nil	Nil	22.00	Nil	Nil	11.28
E-waste	Nil	Nil	0.86	Nil	Nil	0.34
Hazardous Waste	42.8	3,837.88	2,565.23	Nil	Nil	2,756.13
Other waste (Paper, Wood, Metal)	Nil	Nil	5,838.31	Nil	Nil	2,144.07

Note- The Company has appointed a third party, TUV SUD, to assess the products and packaging reclaimed at the end of their life cycle. TUV SUD conducted a thorough assessment by visiting its plants at Navi Mumbai and Dahej, where they collected necessary samples. Based on their evaluation, they have issued an assurance statement regarding the amount of products and packaging that have been safely disposed of, measured in metric tonnes.

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

Indicate product category	Reclaimed products and their packaging materials (as percentage of products sold) for each product category
	Nil

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

Essential Indicators

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

% of employees covered by											
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees											
Male	590	590	100.00	590	100.00	0	0.00	0	0.00	0	0.00
Female	31	31	100.00	31	100.00	31	100.00	0	0.00	0	0.00
Total	621	621	100.00	621	100.00	31	4.99	0	0.00	0	0.00
Other than Permanent Employees											
Male	50	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Female	6	0	0.00	0	0.00	6	100.00	0	0.00	0	0.00
Total	56	0	0.00	0	0.00	6	10.71	0	0.00	0	0.00

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

% of employees covered by											
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Workers											
Male	73	73	100.00	73	100.00	0	0.0	0	0.0	0	0.0
Female	0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Total	73	73	100.00	73	100.00	0	0.0	0	0.0	0	0.0
Other than Permanent Workers											
Male	470	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Female	0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Total	470	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0



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

	2023-24	2022-23
Cost incurred on well-being measures as a % of total revenue of the Company	0.57%	0.45%

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

2023-24			Benefits	2022-23		
No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)		No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
100.00	100.00	Y		100.00	100.00	Y
100.00	100.00	Y		100.00	100.00	Y
11.01	58.93	Y		9.78	60.96	Y
			PF			
			Gratuity			
			ESI			

3. Accessibility of workplaces

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



Yes. The Company's premises and offices are designed to be accessible for employees and workers with disabilities. We uphold compliance with the Rights of Persons with Disabilities Act, 2016, ensuring inclusivity and accommodation for all individuals.

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

The Company provides equal employment opportunities, devoid of any discrimination based on any criteria. Our Diversity, Equity, and Inclusion (D, E & I) Policy serve as a robust framework to ensure not only economic growth but also sustainable competitive advantage and societal progress. We firmly believe that any form of discrimination carries significant negative implications, challenging an individual's will and merit without cause. Adherence to this policy is mandatory, and any violation will result in legal consequences as per applicable laws.

(Reference URL: <https://www.nocil.com/wp-content/uploads/2023/11/Policy-on-diversity-equity-and-inclusion.pdf>)

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

 Permanent Employees		Gender	 Permanent workers	
Return to work rate	Retention rate		Return to work rate	Retention rate
NA	NA	Male	NA	NA
100.00	100.00	Female	NA	NA
100.00	100.00	Total	NA	NA

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

Yes/No (If Yes, then give details of the mechanism in brief)		
Permanent Workers	<p>The Company has established a system for receiving and addressing grievances from employees and workers. In alignment with ESG requirements, we are currently developing a structured mechanism to enhance this process. Additionally, the Company upholds a comprehensive Code of Conduct and adheres to Policies on Diversity, Equity, and Inclusion (DEI), human rights, fair competition, risk management, Prevention of Sexual Harassment (POSH), and a Whistle-blower Policy to effectively redress grievances.</p>	Permanent Employees
Other than Permanent Workers		Other than Permanent Employees

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

Category	2023-24			2022-23		
	Total employees / workers in respective category (A)	No. of employees/ workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees/ workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	621	0	0.00	587	0	0.00
Male	590	0	0.00	564	0	0.00
Female	31	0	0.00	23	0	0.00
Total Permanent Worker	73	73	100.00	83	83	100.00
Male	73	73	100.00	83	83	100.00
Female	0	0	0.0	0	0	0.0

8. Details of training given to employees and workers:

	2023-24					2022-23				
	Total (A)	On Health and Safety measures		On Skill upgradation		Total (D)	On Health and Safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	640	640	100.00	599	93.59	608	399	65.62	282	46.38
Female	37	37	100.00	30	81.08	26	3	11.50	4	15.38
Total	677	677	100.00	629	92.91	634	402	63.40	286	45.11
Workers										
Male	543	543	100.00	0	0.0	648	648	100.00	0	0.00
Female	0	0	0.0	0	0.0	0	0	0.0	0	0.0
Total	543	543	100.00	0	0.0	648	648	100.00	0	0.00

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

Category	2023-24			2022-23		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	640	419	65.47	608	406	66.77
Female	37	24	64.86	26	17	65.38
Total	677	443	65.44	634	423	66.71
Workers						
Male	543	0	0.0	648	0	0.0
Female	0	0	0.0	0	0	0.0
Total	543	0	0.0	648	0	0.0

Note- Since this count includes contractor and unionised workers, we do not have a performance review system for them. The performance review system is only applicable to regular employees.

10. Health and safety management system:

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

Yes, The Company has implemented a comprehensive Occupational Health and Safety Management system. We are dedicated to ensuring a secure and healthy workplace, minimising the risks associated with accidents, injuries, and health-related concerns pertinent to our industry. Additionally, the Company holds certification under ISO 45001:2018 for its Occupational Health and Safety Management System, encompassing activities at both the Navy Mumbai and Dahej Plants. Our operations include the manufacturing, marketing, and sales of rubber chemicals, their intermediates and allied chemicals for the rubber processing industries. Notably, the Company has earned the 'Responsible Care' certification from the Indian Chemical Council (ICC). We strongly believe that maintaining a safe and healthy workplace not only benefits the immediate surroundings but also contributes to environmental well-being and economic stability.

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

The Company utilises HIRA (Hazard Identification and Risk Assessment) and HAZOP (Hazard and Operability Study) processes, which are systematic approaches aimed at identifying potential deviations in process parameters such as temperature, pressure, composition, and flow direction. These assessments enable us to pinpoint work-related hazards and evaluate risks as necessary.

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

Yes, the Company holds both departmental and central safety committee meetings, ensuring participation from all workers. During these meetings, queries and concerns regarding work-related hazards are addressed. The Company carefully considers all raised issues and works towards resolving them promptly. Additionally, regular fire safety drills are conducted for employees at both the Plants and the Head Office. Furthermore, we have a comprehensive safety manual in place to guide our procedures

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

Yes, Employees and workers are provided with non-occupational medical and health services. The Company ensures the disbursement of medical allowances to eligible individuals based on the specified criteria.

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

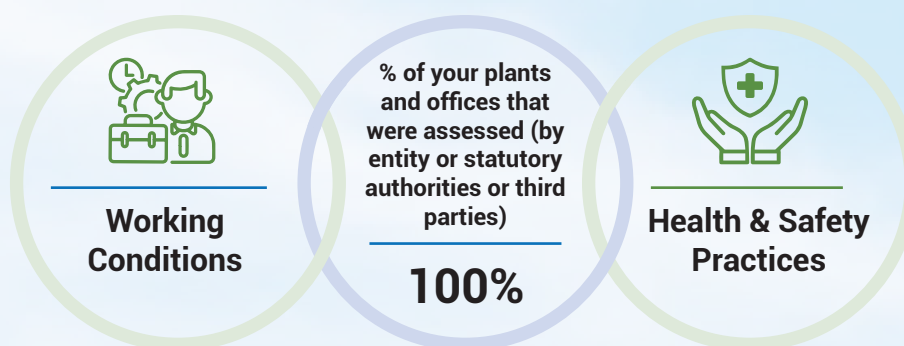
Safety Incident/Number	Category	2023-24	2022-23
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	No safety related incidents happened for both the reporting years	
	Workers		
Total recordable work-related injuries	Employees		
	Workers		
No. of fatalities	Employees		
	Workers		
High consequence work-related injury or ill-health (excluding fatalities)	Employees		
	Workers		

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

The Company continues its efforts in providing employee induction and refresher training sessions across various departments, focusing on the health and safety of workers as well as environmental concerns. HAZOP studies, risk assessments, and pre-start up safety reviews are conducted as needed for plant or process modifications. Encouragement of a safety-oriented attitude is emphasised through regular safety awareness sessions to instil behaviour-based safety practices throughout the organisation. Periodic inspections and audits are carried out to verify the effectiveness of safety systems. A safe and healthy work environment is maintained through ongoing monitoring of noise levels, illumination, and ventilation. All non-routine maintenance tasks are managed through a permit-to-work system. Scheduled preventive maintenance of emergency equipment is routinely performed. Emergency preparedness is reinforced through weekly drills simulating various emergency scenarios to ensure swift response and mitigation in case of any unforeseen events.

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

Category	2023-24			2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	No complaints of this nature were identified for both reporting years.					
Health & Safety						

14. Assessments for the year*:


Note: *the assessment for Health & Safety Practices and Working Conditions were carried out by DISH (Directorate of Industrial Safety and Health) & Govt. approved auditors

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

Not Applicable, as there were no incidents of this nature identified throughout the year.

Leadership Indicators /

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

Yes, The Company extends a "Group Accident Policy" to all its employees and workers.

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

The Company maintains records of payment in the form of Challans, confirming that statutory dues have been deducted and remitted by our value-chain partners. The Company's Internal Auditors conduct quarterly verification of this status, presenting a comprehensive report on the matter during Audit Committee Meetings.



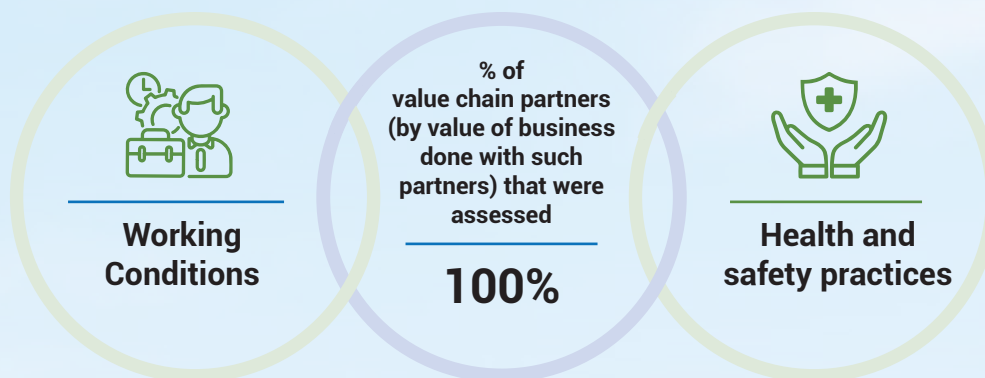
3. Provide the number of employees / workers having suffered high consequence work- related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	2023-24	2022-23	2023-24	2022-23
Employees	Nil			
Workers				

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

The Company did not implement any such program during the reporting period. However, we look forward to implementing the same in case need arises in future.

5. Details on assessment of value chain partners:



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

No corrective actions taken as no concerns were identified in the assessment.

Essential Indicators

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

Considerable effort is invested in identifying stakeholders, prioritising them based on interests and influence. This involves evaluating Political, Economic, Sociological, Technological, Legal and Environmental factors. Collaborative brainstorming sessions among teams enrich this process, fostering innovation and understanding. By comprehensively analysing these factors, we anticipate stakeholder expectations and external pressures. Through meticulous stakeholder identification, we aim to cultivate meaningful relationships, driving sustainable growth and value creation.

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

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of Communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community, Meetings, Notice Board, Website, Other)	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	Email / Meetings	As and when required	Product Specification, Customer Specifications, Product Planning
Regulatory Bodies	No	Email, Meetings	As and when required	Regulatory Performance
Shareholders	No	Meetings, Website, Newspaper Advertisement	Annually	Company Performance
Employees	No	Meetings/ Notice Board	Annually/Half yearly/ Quarterly	QEHS&R (Quality, Environment, Health, safety & Responsible care) Policy, IMS (Integrated Management System) Objectives, Policies, Procedures
Suppliers	No	Emails, Meetings	As and when required	Services and Product Requirements
Investors & funders	No	Meetings, Website, Advertisement, Newspaper	Quarterly	Company Performance
Communities	Yes	Notice Board, Meetings	Annually/Half Yearly	Emergency Preparedness, through Company's CSR activities
Analysts	No	Email, Meetings	As and when required	Company Performance

Leadership Indicators

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

The Risk Management Committee, the Core Committee on Sustainability and the CSR Committee of the Company play integral role in evaluating and guiding the Company's progress in various domains where economic, environmental and social engagements intersect with stakeholders. These Committees serve as crucial platforms for strategic planning and decision-making, ensuring that the Company's activities are aligned with its broader objectives of sustainability and corporate responsibility. Through regular assessments and analysis, these Committees identify potential risks, opportunities, and areas for improvement within the Company's operations and engagements with stakeholders.

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

Yes, the Company places a high priority on environmental and social responsibility, recognising the importance of integrating these factors into its risk management framework. To achieve this, we actively seek and review inputs from various stakeholders, including communities, customers, employees, and environmental organisations, to identify potential environmental and social risks associated with our operations. These inputs provide valuable insights into the potential impacts of our activities on the environment, local communities, and broader society.

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

The Company places a strong emphasis on identifying and supporting vulnerable and marginalised stakeholders through its comprehensive Corporate Social Responsibility (CSR) activities and programs. Recognising the importance of giving back to society, the Company's initiatives extend across a spectrum of critical areas including healthcare, education, and livelihood enhancement projects. Moreover, the Company remains dedicated to addressing societal gaps by focusing on the rehabilitation of deserted and parentless children, providing them with essential support and opportunities for a brighter future.

Essential Indicators /

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

Category	2023-24			2022-23		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)	Total (C)	No. of employees/ workers covered (D)	% (D/C)
Employees						
Permanent	621	442	71.18	587	259	44.12
Other than permanent	56	24	42.86	47	18	38.30
Total Employees	677	466	68.83	634	277	43.70
Workers						
Permanent	73	73	100.00	83	83	100.00
Other than permanent	470	470	100.00	565	565	100.00
Total Workers	543	543	100.00	648	648	100.00

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

Category	2023-24					2022-23				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	621	0	0.00	621	100.00	587	0	0.0	587	100.00
Male	590	0	0.00	590	100.00	564	0	0.0	564	100.00
Female	31	0	0.00	31	100.00	23	0	0.0	23	100.00
Other than Permanent	56	0	0.00	56	100.00	47	0	0.0	47	100.00
Male	50	0	0.00	50	100.00	44	0	0.0	44	100.00
Female	6	0	0.00	6	100.00	3	0	0.0	3	100.00

Category	2023-24					2022-23				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Workers										
Permanent	73	0	0.00	73	100.00	83	0	0.0	83	100.00
Male	73	0	0.00	73	100.00	83	0	0.0	83	100.00
Female	0	0	0.00	0	0.0	0	0	0.0	0	0.0
Other than Permanent	470	470	100.00	0	0.0	503	503	100.00	0	0.0
Male	470	470	100.00	0	0.0	503	503	100.00	0	0.0
Female	0	0	0.00	0	0.0	0	0	0.0	0	0.0

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

a. Median remuneration/wages:

	Male		Female	
	Number	Median remuneration/ Salary/ Wages of respective category	Number	Median remuneration/ Salary/ Wages of respective category
Board of Directors (BoD)	11	0.18 Crores	2	0.18 Crores
Key Managerial Personnel	4	2.66 Crores	-	-
Employees other than BoD and KMP	627	0.04 Crores	33	0.06 Crores
Workers	73	0.12 Crores	-	-

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

	2023-24	2022-23
Gross wages paid to females as % of total wages	4.07%	3.05%

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

Yes, the Company has a focal point responsible for addressing human rights impacts or issues caused or contributed to by the business. The Company has implemented a robust Whistle-blower Policy aimed at fostering transparency and accountability within its operations. This policy serves as a crucial mechanism for employees and stakeholders to report any potential human rights impacts or issues arising from the Company's activities. By providing a safe and confidential avenue for individuals to raise concerns, the Whistleblower Policy empowers employees to speak up without fear of retaliation. Additionally, the Company has a dedicated Human Rights Policy and an HR team that individuals can approach for addressing these issues.

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

The Company has committedly embraced and implemented robust policies aimed at addressing grievances and upholding human rights within its operations. These policies underscore our commitment to fostering a fair and inclusive workplace environment where every individual's rights are respected and protected. Through the establishment of a comprehensive framework, we actively conduct training programs and awareness campaigns dedicated to promoting the well-being of all employees.

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

	2023-24			2022-23		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual harassment	Nil. There have been no grievances raised by employees or workers concerning the human rights issues mentioned.					
Discrimination at workplace						
Child Labour						
Forced Labour/ Involuntary Labour						
Wages						
Other Human Rights related issues						

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	2023-24	2022-23
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	Nil	
Complaints on POSH as a % of female employees / workers		
Complaints on POSH upheld		

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

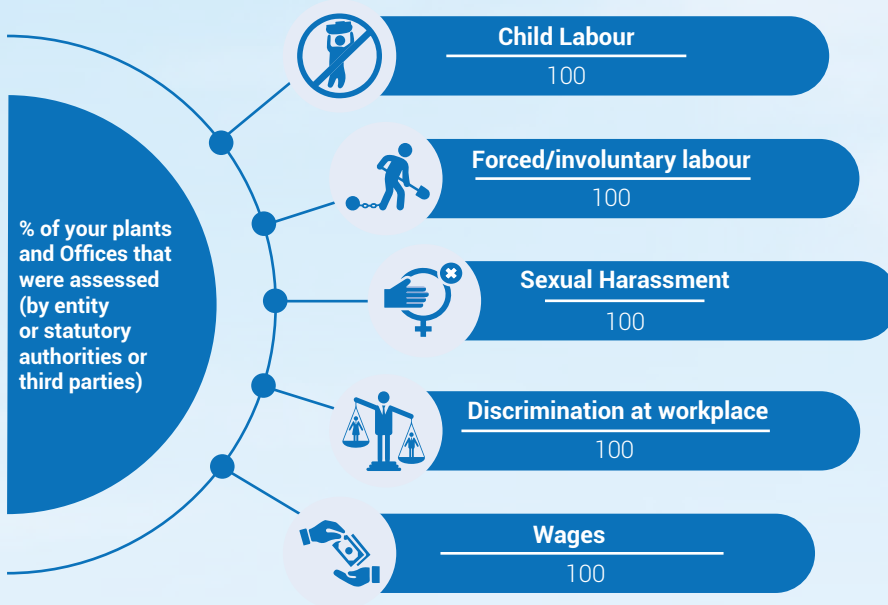
According to the relevant policy, a Complainant or Whistleblower is not subjected to unfair treatment as a result of making a reported disclosure under this Policy. The Company guarantees that no discrimination, harassment, victimisation, or any other unjust employment practice is employed against Whistleblowers. The confidentiality of the Complainant or Whistleblower is maintained to the extent allowed by law.

9. Do human rights requirements form part of your business agreements and contracts?

Yes, The Supplier Code of Conduct incorporates a clause outlining Human Rights requirements. This clause is integrated into our agreements with suppliers, aiming to facilitate seamless business operations and prevent potential issues related to Human Rights matters within the supply chain.

URL- <https://www.nocil.com/wp-content/uploads/2024/04/Supplier-Code-of-Conduct-Policy.pdf>

10. Assessments for the year:



Note- The aforementioned human rights issues are evaluated by factory audit officers.

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

Not relevant, as no risks of this nature have been identified.

Leadership Indicators

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

There were no human rights grievances or complaints raised; therefore, no business process modifications or introductions were necessary.

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

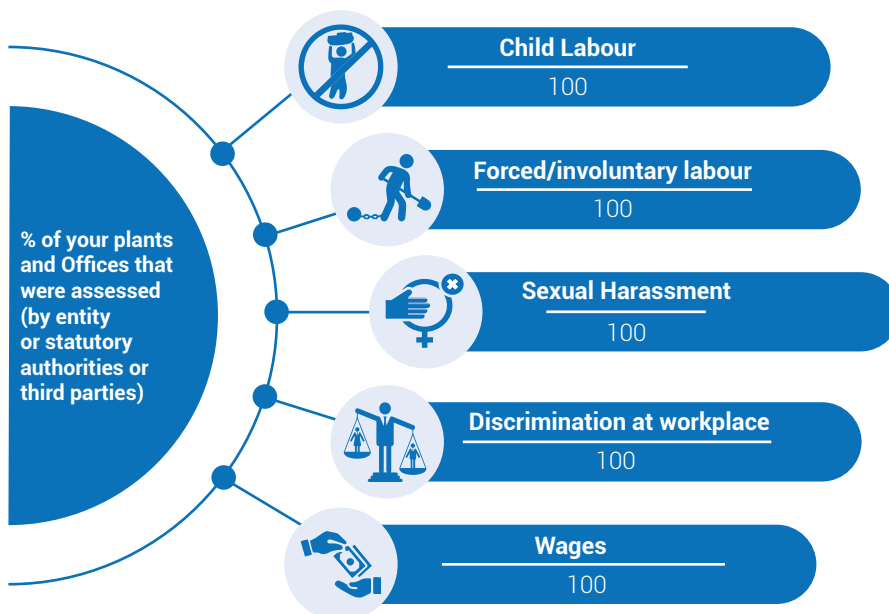
The Company has established and enacted a comprehensive Human Rights Policy and has provided awareness and guidance to various group heads and Heads of Departments (HoDs) regarding the compliance obligations outlined in this policy.

URL- <https://www.nocil.com/wp-content/uploads/2023/11/Humans-Rights-Policy.pdf>

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

The Company is in process of making all the required premises accessible for the differently abled visitors.

4. Details on assessment of value chain partners:



Note: The Company conducts supplier audit in their Navi Mumbai & Dahej units

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

Not relevant, as the Company has not identified any risks of this nature.

PRINCIPLE

06

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

Essential Indicators

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

Parameter	2023-24 (In Gigajoules)	2022-23 (In Gigajoules)
FROM RENEWABLE SOURCES		
Total electricity consumption (A)	30,498.88	0.0
Total fuel consumption (B)	0.0	0.0
Energy consumption through other sources (C)	1,656.68	1,816.71
Total Energy consumption from renewable sources (A+B+C)	32,155.56	1,816.71
FROM NON-RENEWABLE SOURCES		
Total electricity consumption (D)	1,36,157.85	1,79,895.44
Total fuel consumption (E)	12,32,045.27	13,13,819.60
Energy consumption through other sources (F)	0.0	0.0
Total Energy consumption from non-renewable sources (D+E+F)	13,68,203.11	14,93,715.04
Total energy consumed (A+B+C+D+E+F)	14,00,358.67	14,95,531.75
Energy intensity per rupee of turnover (Total energy consumption/ Revenue from Operations)	0.00009693 GJ per rupee of turnover	0.00009289 GJ per rupee of turnover
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	0.002171 GJ per rupee of turnover adjusted for PPP	0.002051 GJ per rupee of turnover adjusted for PPP
Energy intensity in terms of physical output	20.98 GJ/MT	24.89 GJ/MT

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency- Yes, the Company hired a third party, TUV SUD, to conduct this comprehensive evaluation. TUV SUD conducted a detailed three-day assessment of our units located at Dahej and Navi Mumbai. The assessment included sample collection and thorough evaluation of our processes and standards. Following this assessment, TUV SUD will provide us with an assurance certificate, which will further validate our commitment to maintaining high standards and operational excellence.

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

Not Applicable, None of our sites are included in the Perform, Achieve, and Trade (PAT) Scheme of the Government of India.

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

Parameter	2023-24	2022-23
Water withdrawal by source (in kilolitres)		
(i) Surface water	Nil	Nil
(ii) Groundwater	Nil	Nil
(iii) Third party water	11,80,447	11,82,755
(iv) Seawater / desalinated water	Nil	Nil
(v) Others	Nil	Nil
<i>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</i>	11,80,447	11,82,755
Total volume of water consumption (in kilolitres)	11,80,447	11,82,755
Water intensity per rupee of turnover (Water consumed / Revenue from operations)	0.00008171 KL per rupee of turnover	0.00007316 KL per rupee of turnover
Water Intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	0.001830 KL per rupee of turnover adjusted for PPP	0.001622 KL per rupee of turnover adjusted for PPP
Water intensity in terms of physical output	17.68 KL per MT of production	19.69 KL per MT of production

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

4. Provide the following details related to water discharged

Parameter	2023-24	2022-23
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	Nil	Nil
- No treatment		
- With treatment – please specify level of treatment		
(ii) To Groundwater		
- No treatment		
- With treatment – please specify level of treatment		
(iii) To Seawater	603,617 KL (Trade Effluent primary, secondary aerobic biodegradation followed by Tertiary treatment.) 10230 KL Sewage Effluent treatment by SBT.	5,95,557 KL (Trade Effluent Primary, Secondary Aerobic biodegradation followed by Tertiary treatment.) 12870 KL Sewage effluent treatment by SBT.
- No treatment		
- With treatment – please specify level of treatment		
(iv) Sent to third-parties		
- No treatment		
- With treatment – please specify level of treatment		
(v) Others	Nil	Nil
- No treatment		
- With treatment – please specify level of treatment		
Total water discharged (in kilolitres)	6,13,847 KL	6,08,427 KL

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

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

As of now, the Company has not yet implemented Zero Liquid Discharge. Nevertheless, efforts are underway to progress towards achieving this objective.

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

Parameter	Please specify unit	2023-24	2022-23
NOx	Kg./Day	164.994	291.05
SOx	Kg./Day	623.31	718.71
Particulate matter (PM)	Kg./Day	244.909	422.85
Persistent organic pollutants (POP)		Nil	Nil
Volatile organic compounds (VOC) 1. Acetone 2. Ammonia 3. n-Butanol 4. Chlorine 5. HCl 6. H2S 7. Sulphur Dioxide 8. Toluene 9. MIBK 10. Aniline 11. Carbon Disulphide 12. Sodium Hydroxide 13. Sulphuric Acid		VOCs are monitored at workplace with self-detection tubes. Therefore, it is not quantifiable.	
Hazardous air pollutants (HAP)			
Chlorine	Mentioned alongside the quantified numbers	0.0830 Kg. /Day	0.0490 Kg. /Day
Hydrochloric Acid		0.0768 Kg. /Day	0.0016 Kg. /Day
Hydrogen Sulphide		0.0036 Kg. / Day	0.0020 Kg. / Day
CS2		0.1640 Kg. / Day	Nil
Others – please specify	Nil		

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

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

Parameter	Unit	2023-24	2022-23
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	1,11,356.74	1,36,210.72
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	27,294.17	39,976.76
Total Scope 1 and Scope 2 emissions per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	Metric tonnes of CO ₂ equivalent	Total Emission = 138650.91 0.00000960 MTCO ₂ e Per rupee of turnover	Total Emission = 176187.48 0.000010943 MTCO ₂ e Per rupee of turnover
Total Scope 1 and Scope 2 emissions per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)		0.000215 MTCO ₂ e Per rupee of turnover adjusted for PPP	0.000242 MTCO ₂ e Per rupee of turnover adjusted for PPP
Total Scope 1 and Scope 2 emissions intensity in terms of physical output	Metric tonnes of CO ₂ equivalent per metric tonne of production	2.08 MTCO ₂ e per MT production	2.93 MTCO ₂ e per MT production

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

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

The Company aims to decrease carbon emissions through the adoption of innovative methods. It is taking proactive steps to implement strategies that are both commercially feasible and economically viable, thereby reducing dependence on carbon-intensive energy sources.

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

Parameter	2023-24	2022-23
Total Waste generated (in metric tonnes)		
Plastic waste (A)	38.753	11.281
E-waste (B)	0.8657	0.335
Bio-medical waste (C)	0.009354	0.016851
Construction and demolition waste (D)	679	444.5
Battery waste (E) (Buy Back)	6.593	0.478
Radioactive waste (F)	Nil	Nil
Other Hazardous waste. Please Specify, if any. (G)	2,575.49	2,756.18
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	Metal: 293.041 Wood: 58.64 Glass: 2.990 Coal boiler ash: 5,399.74 Garbage: 87.18 Total: 5,841.591	Metal –179.057 Wood – 67.31 Glass-2.960 Coal Boiler Ash: 7095 Garbage: 87.84 Total: 7,432.17
Total (A+B + C + D + E + F + G + H)	9142.3	10,644.64
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.00000063 MT per rupee of turnover	0.00000066 MT per rupee of turnover
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	0.000014 MT per rupee of turnover adjusted for PPP	0.000015 MT per rupee of turnover adjusted for PPP
Waste intensity in terms of physical output	0.137 MT / MT of Production	0.177 MT / MT of Production
Waste intensity (optional) - the relevant metric may be selected by the entity	Nil	Nil
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	3,837.88	3,965.32
(ii) Re-used	42.8	Nil
(iii) Other recovery operations	Nil	Nil
Total	3,880.68	3,965.32

Parameter	2023-24	2022-23
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	102.3	512.05
(ii) Landfilling	1,248.18	1,482.00
(iii) Other disposal operations (KCB)+Used Oil (Sale) + Pre-Processing	486.73	20.57
Total	1,837.21	2,014.62

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

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

The Company holds the title of the largest manufacturer of rubber chemicals in India and meticulously manages environmental controls over liquid, gaseous, and solid streams. It operates a comprehensive Effluent Treatment Plant and has implemented innovative technologies such as Soil Biotechnology, Hydrodynamic Cavitation, and Multiple Effect Evaporator. Treated effluent meeting regulatory standards is discharged into underground MIDC/GIDC drainage pipelines, with online monitoring of pH, flow and COD. Hazardous waste is stored in designated areas and disposed of periodically to authorised Treatment, Storage, and Disposal Facilities (TSDFs). Process stacks feature scrubber systems, with drains connected to chemical sewers leading to the ETP for further treatment. An Electrostatic Precipitator (ESP) is installed for particulate matter emission control from coal-fired boilers, monitored via camera surveillance. To reduce pollution, the Company has transitioned to PNG eco-friendly fuel for boilers and laboratory use, replacing liquid fuels. All process and boiler stacks undergo regular monitoring by MOEF-approved labs, ensuring compliance with prescribed norms. The Company holds certifications for ISO 9001 (Quality Management System), ISO 14001 (Environmental Management System), ISO 45001 (Occupational Health and Safety Assessment System), IATF 16949 (Quality Automotive Supply Chain), and ISO 50001 (Energy Management System). Upholding high standards in Health, Safety, and Environmental practices is a fundamental aspect of the Company's organisational philosophy, underscored by a continuous commitment to improvement in environmental, safety and energy standards.

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

S. No.	Location of operations/offices	Types of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
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The Company does not conduct its operations in any environmentally sensitive regions.

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

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

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

Serial Number	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Results communicated in public domain (Yes / No)
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Yes, the Company adheres to all relevant environmental laws and regulations.*

*The Company has implemented a specialised Compliance Software Tool to manage and track compliance status with all relevant laws, including the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, and Environment Protection Act, along with associated rules. This software not only monitors compliance but also provides guidance to employees responsible for compliance, informing them of specific requirements and any updates or amendments.

Leadership Indicators /

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

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

(i) Name of the area – Not Applicable

(ii) Nature of operations – Not Applicable

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

Parameter	2023-24	2022-23
Water withdrawal by source (in kilolitres)		
(i) Surface water	None of our plants operate in water stress area	
(ii) Groundwater		
(iii) Third party water		
(iv) Seawater / desalinated water		
(v) Others		
Total volume of water withdrawal (in kilolitres)		
Total volume of water consumption (in kilolitres)		
Water intensity per rupee of turnover (Water consumed / turnover)		
Water intensity (optional) – the relevant metric may be selected by the entity		

Parameter	2023-24	2022-23
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	None of our plants operate in water stress area	
- No treatment		
- With treatment – please specify level of treatment		
(ii) Into Groundwater		
- No treatment		
- With treatment – please specify level of treatment		
(iii) Into Seawater		
- No treatment		
- With treatment – please specify level of treatment		
(iv) Sent to third-parties		
- No treatment		
- With treatment – please specify level of treatment		
(v) Others		
- No treatment		
- With treatment – please specify level of treatment		
Total water discharged (in kilolitres)		

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

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

Not Applicable. The Company's offices and plants are not situated in close proximity to ecologically sensitive areas.

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

Sr. No.	Initiative undertaken	Details of the initiative (<i>Web-link, if any, may be provided along-with summary</i>)	Outcome of the initiative
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The Company consistently refines parameters to minimise raw material consumption and enhance yields. Utilising innovative technologies such as liquid-liquid extraction and carbon columns, the Company recovers raw materials from waste streams, thereby minimising waste generation.

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

Yes, the Company emphasises the need for effective engineering controls to manage all risks associated with operational activities. Risk mappings are conducted and an on-site emergency plan is in place, encompassing various measures to mitigate associated risks. The plan is implemented for the following purposes:

- Preventing an emergency from escalating into a major incident or disaster.
- Defining resources and procedures for the efficient control of emergencies.
- Assigning specific activities and responsibilities to key personnel and agencies to eliminate delays in emergency mitigation/control.
- Minimising damage to people, property and the environment.
- Conducting effective rescue operations and providing treatment to casualties.
- Identifying casualties and informing their relatives.
- Alerting relevant external agencies and supplying pertinent information on the incident.
- Facilitating rehabilitation and restoring normalcy.

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

No such adverse impact to the environment is identified from the value-chain partners of the entity.

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

About 40% value-chain partners were assessed for environmental impacts, through supplier audit.

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

Essential Indicators

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

The Company is associated with six industry chambers or associations.

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

S. No	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
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1	Indian Chemical Council	National
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2	All India Rubber Industry Association	National
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3	Indian Rubber Institute	National
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4	Indian Merchants Chamber	National
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5	Thane-Belapur Industries Association	State
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6	Dahej Industry Association	State
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2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities

Name of authority	Brief of the case	Corrective active taken
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Not Applicable. No adverse orders issued by any Regulatory Authority against the Company.

Leadership Indicators

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

Sr. No	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, If available
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The Company actively engages with various industry associations to advocate for the advancement of the industry and public welfare. It adheres to a Code of Conduct Policy to ensure the highest standards of business conduct are maintained during interactions with these trade associations and industry bodies.

PRINCIPLE

08

Businesses should promote inclusive growth and equitable development

Essential Indicators

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

Name and Brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web Link
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Not Applicable. The Company has not conducted any Social Impact Assessments during the current financial year.

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

S. No	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the (in ₹)
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Not Applicable

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

The Company does not have a separate mechanism to receive and redress grievances of communities but has taken a leading role in engaging with communities through its CSR initiatives and implementing them, which are aimed at promoting healthcare, particularly preventive healthcare, and delivering Community Health Programs to underprivileged communities residing in rural and tribal areas. Additionally, efforts have been directed towards rural community development and women empowerment, with the aim of fostering equitable and sustainable development and reducing overall poverty levels. We have provided financial assistance to reputable NGOs such as The Cancer Patients Aid Association, which offer affordable or free treatment to economically disadvantaged patients suffering from serious illnesses like cancer, as well as equipment for the early detection of breast cancer in impoverished women.

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

	2023-24	2022-23
Directly sourced from MSMEs/ small producers	6.00	1.59
Sourced directly from within India	63.00	70.00

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

2023-24	Location	2022-23
0%	Rural	0%
36%	Semi-Urban	37%
0%	Urban	0%
64%	Metropolitan	63%

Leadership Indicators /

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

Details of negative social impact identified	Corrective action taken
Not Applicable	

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

S. No	State	Aspirational District	Amount spent (In Crores)
1	Punjab and Jharkhand	Moga and Ranchi	0.01
2	Maharashtra	Nabdurbar	0.01
3	Gujarat	Dahod	0.04

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

The Company operates without a preferential procurement policy due to the fluctuating nature of supply and demand. Instead, it focuses on supporting marginalised and vulnerable groups primarily through CSR initiatives. This approach ensures that resources are directed towards those who needs them the most, aligning with the Company's commitment to social responsibility. By prioritising CSR activities, the Company contributes positively to society while adapting to the complexities of the market environment.

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

Not Applicable, as no procurement has been made.

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

Not Applicable, as no procurement has been made.

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

S. No	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
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Not Applicable, as no benefits derived or shared from IP owned or acquired by the Company based on traditional knowledge

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

Name of authority	Brief of the case	Corrective Action taken
Not Applicable, as there are no such instances of any disputes		

6. Details of beneficiaries of CSR Projects:

S. No	CSR Project	No. of persons benefitted from CSR projects	% of beneficiaries from vulnerable and marginalised groups
1	CPAA: Elimination of Cervical Cancer through HPV Vaccination	250	100.00
2	CPAA: Access to cancer treatment for walk in patients	38	100.00
3	CPAA: Supporting breast cancer patients with prostheses	166	100.00
4	Nityanand Educational Trust: DRT (Diploma in Basic Rural Technology) Training Course Sponsorship For the benefit of rural / tribal students and youth of villages.	12	100.00
5	Nityanand Educational Trust :3D Printing, Technology Workshops For the benefit of rural / tribal students and youth of villages.	760	100.00
6	N.M. Sadguru water and Development and Foundation : Nabard Supported TDF Wadi Project Limkheda Block of Dahod District (Project - VI) For water resources projects, Horticulture, Agriculture & wadi Development projects and Training.	500	100.00
7	N.M. Sadguru water and Development and Foundation : Nabard Supported TDF Wadi Project Dhanpur Block of Dahod District (Project - VI) For water resources projects, Horticulture, Agriculture & wadi Development projects and Training.	300	100.00
8	Foundation for promotion of sports and games (OGQ): To assist potential athletes and para athletes to achieve their dreams and win Olympic and Paralympic Gold medals. To scout for potential medal talent, to help identify areas of support, to work with all stakeholders to aid deserving talents. For promotion, training, coaching, sports science and equipment of athletes.	81	90.00
9	Vayam: Padopadi Swarajya It is the system where people can make choice of their own. Vayam firmly believes in the right of backward communities about making development choices. Vayam facilitates and not dictate the process of empowerment. We want communities to reach at a point where they wouldn't be dependent on anyone.	3600	100.00
10	Vayam: Suposhan (Providing Nutritional support to farmers in remote areas)	240	100.00



S. No	CSR Project	No. of persons benefitted from CSR projects	% of beneficiaries from vulnerable and marginalised groups
11	<p>Seva Sahyog Foundation: Samutkarsh (Study Centre & Adolescent Girls Development)</p> <p>(Initiatives to enhance students' educational journey, focusing on key stakeholders such as students, community adolescent girls)</p> <p>The interventions primary focus is providing the students with a conducive learning environment and addressing certain infrastructure needs for education.</p> <p>Objectives</p> <ul style="list-style-type: none"> - Providing a conducive environment for education for socio-economically challenged students by setting up study centres. - Addressing the needs and challenges faced by the adolescent girls 	184	100.00
12	<p>Seva Sahayog Foundation:</p> <p>School Kit</p> <p>Supporting the underprivileged school students with a kit of stationery supplies including notebooks, pencil pouch, geometry box, and other supplementary material as per the age group. (Contents: The kit shall be categorised into classes: 1st and 2nd 3rd and 4th 5th to 7th 8th to 10th)</p>	1013	100.00
13	<p>Shri Chaitanya Health and Care Trust – (Formerly known as Sri Chaitanya Seva Trust)</p> <p>Healthcare , Rural Development and Rural Education Initiatives</p>	<p>1425 cataract surgeries were performed.</p> <p>432 farmers were benefitted with 10500 Floriculture saplings & 9485 Horticulture saplings</p> <p>Seed for life -1428 beneficiaries</p> <p>Water resource development – 410 beneficiaries</p> <p>9200 students from 25 schools have benefited through VENU, Vidyavan and other Programs</p> <p>Under Women empowerment about 50 beneficiaries got benefitted</p>	86.00 of the beneficiaries were from vulnerable and marginalised groups
14	<p>Adruta children home</p> <p>Providing holistic nurture (physical, educational, and spiritual) to the children in deprivation and distress</p>	More than 600 children residing at our Adruta Children Home in 10 different location	100.00

Essential Indicators

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

Customer complaints are channelled through our Marketing and Regional Sales Managers, ensuring a streamlined process for resolution. Timeliness is paramount, reflecting our commitment to customer satisfaction. Furthermore, we proactively gather feedback via biennial Customer Satisfaction Surveys (CSS). Each comment and suggestion is meticulously reviewed, serving as a catalyst for improvement initiatives. We prioritise transparency and responsiveness, swiftly implementing corrective actions where necessary. This customer-centric approach underscores our dedication to continuous enhancement and fosters enduring relationships with our valued clientele.

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

Environmental and social parameters relevant to the product

Safe and responsible usage

Recycling and/or safe disposal

As a percentage to total turnover

100.00

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

	2023-24		Remarks	2022-23		Remarks
	Received during the Year	Pending resolution at end of year		Received during the Year	Pending resolution at end of year	
Data Privacy	15	Nil	All complaints resolved satisfactorily	11	Nil	All complaints resolved satisfactorily
Advertising						
Cyber-security						
Delivery of essential services						
Restrictive Trade Practices						
Unfair Trade Practices						
Other- Services related complaints						

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

	Number	Reasons for recall
Voluntary recalls	No such incidents of product recalls happened	
Forced recalls		

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

We prioritise the security and confidentiality of all internal online data, sensitive information, and customer details. To uphold this commitment, we have diligently implemented a comprehensive Privacy Policy. This policy serves as a safeguard, protecting against any unauthorised access and ensuring the security of all data under our purview.

Our Privacy Policy outlines strict protocols and procedures designed to mitigate risks and uphold confidentiality standards. It encompasses measures such as encryption, access controls, and regular audits to maintain the integrity of our systems and data.

URL: [Link to Privacy Policy]

<https://www.nocil.com/wp-content/uploads/2023/11/Privacy-Policy.pdf>

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

Not applicable, as no such instances occurred during the year.

7. Provide the following information relating to data breaches:

- a. Number of instances of data breaches- Nil
- b. Percentage of data breaches involving personally identifiable information of customers- None
- c. Impact, if any, of the data breaches- Not Applicable

Leadership Indicators /

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

We offer multiple channels for accessing our products and services, primarily through our website:

- For an overview of our products: [Products Overview]
(<https://www.nocil.com/products-industries/>)
- For technical information: [Technical Notes]
(<https://www.nocil.com/technical-services/>)
- Information on product safety handling and disposal can be found in the Material Safety Data Sheets (MSDS) provided with our product packaging.

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

Details about our products and their safety measures are accessible on our Company website. This includes:

- Providing of Material Safety Data Sheets (MSDS) with each delivery, offering comprehensive information.
- Safety guidelines for product handling and disposal on the product packaging.
- MSDS containing information on safe handling, storage, and disposal of the products.
- Customer awareness actively promoting through meetings and interactions.

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

We prioritise transparent communication with our valued consumers, which extends to addressing any potential risks or disruptions associated with our products. In addition to proactive measures taken to ensure product safety, we maintain open channels of communication through mailings and telephone calls.

Our dedicated team is committed to promptly notify consumers of any identified risks or disruptions that may impact the use or safety of our products. Through targeted mailings and personalised telephone calls, we aim to reach our consumers directly, providing clear and concise information regarding the nature of the concern and any recommended actions.

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

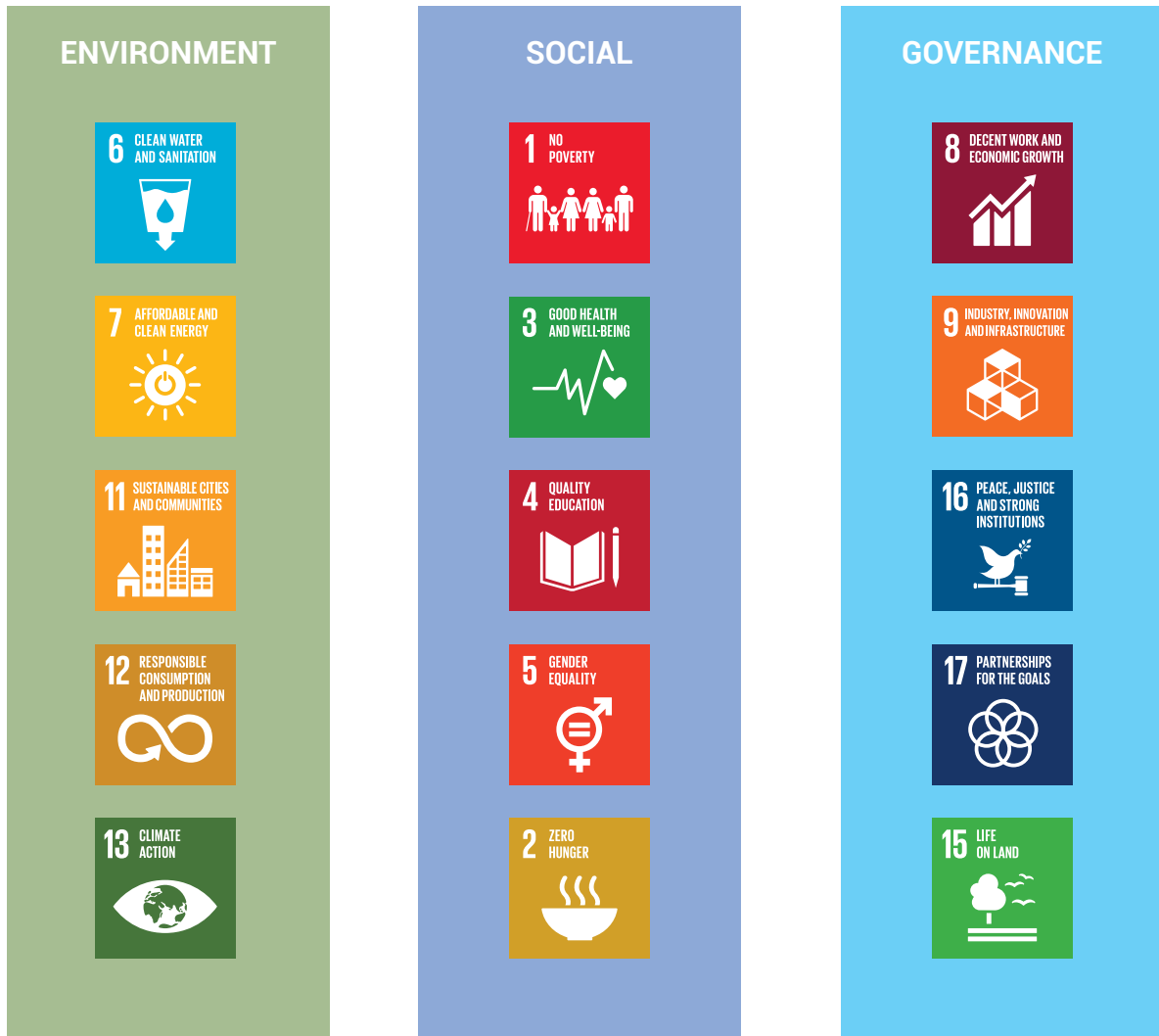
Yes, accessibility and customer satisfaction are at the forefront of our initiatives. Product details are readily available on both our product packaging and our corporate website, ensuring transparency and ease of access for our customers. This dual approach allows customers to quickly access relevant information whether they're at a retail store or browsing online.

Moreover, we are committed to fostering strong relationships with our customers through various customer-centric initiatives. One such initiative is our Customer Satisfaction Survey, which serves as a vital communication channel. This survey enables us to actively listen to our customers, understand their needs, and address any concerns or conflicts promptly and effectively. By actively engaging with our customers, we strive to continuously improve our products and services, ultimately enhancing the overall customer experience.

UN SDGs INITIATIVES



UNITED NATION'S SUSTAINABLE DEVELOPMENT GOALS (UNSDGs) & ESG INITIATIVES



SDG INITIATIVES



NO POVERTY

- The Company prioritises social responsibility by supporting *RAWA Academy (Adruta Homes)* offering shelter to parentless children. This provides a safe haven, ensuring these vulnerable children have access to basic necessities and a supportive environment for their well-being.
- The Company through partnership with *Seva Sahyog Foundation* enables them to implement impactful initiatives aimed at improving the lives of those in need.
- The collaboration between the Company and the NGO '*Vayam*' has positively benefitted 250 tribal communities living in the northern Western Ghats area. These communities have received invaluable assistance from the Company, encompassing essential resources, opportunities, and skill development, all of which have played a crucial role in their overall empowerment.



ZERO HUNGER

- The Company's partnership with *Seva Sahyog Foundation* helped provide nutritional support to girls from underprivileged sections of slum areas through a dedicated program titled "*Kishori Vikas*". The Company also played an important role in supporting nutritional support to farmers in remote and tribal areas under programs titled "*Padopadi Swarajya*" and "*Suposhan*" conducted by *Vayam*.



GOOD HEALTH AND WELL-BEING

- The Company, in collaboration with *Shri Chaitanya Health and Care Trust (formerly known as Sri Chaitanya Seva Trust)*, is dedicated to making a meaningful impact on healthcare, rural development, and education initiatives. Through this partnership, the Company supports a variety of community health programs aimed at benefiting the underprivileged and marginalised segments of society residing in rural and tribal areas. These programs are designed to address the unique healthcare needs of these communities, providing essential medical services, health education, and preventive care. In addition to healthcare, the collaboration emphasizes the importance of rural development by facilitating infrastructure improvements, access to clean water, and sustainable agricultural practices.



QUALITY EDUCATION

- The Company's CSR initiatives near the Dahej Plant have made a significant impact on *Padriya School* by facilitating the construction of classrooms and providing essential resources like school uniforms and bag kits. This assistance is pivotal as it directly addresses the educational needs of the local community, ensuring that students have access to proper learning environments and necessary supplies.
- Through its CSR initiatives, the Company actively supports the *Sri Nityanand Education Trust*, focusing on promoting education, particularly for children, women, and the elderly, and differently-abled individuals. This commitment extends beyond traditional education to include special education and vocational skills enhancement, thereby empowering marginalised groups to access educational opportunities and gain employment skills.



CLEAN WATER AND SANITATION

- The Company has provided financial assistance to the *NM Sadguru Water & Development Foundation* through their CSR activities that focus on implementing sustainable land and water resource management programs, thereby enhancing agricultural ecosystems and positively impacting the overall living standards of these marginalised populations.



AFFORDABLE AND CLEAN ENERGY

- The Company has procured **ISO 50001:2018** certification for Energy Management System. It helps the Company to continually improve Energy Management System (EnMS); it enhances the operational efficiency and facilitates better energy management practices.
- The Company has acquired a silver medal by **EcoVadis** Sustainability Rating Process. This certification is an acknowledgement for the Company's efficient and sustainable energy management system basis their environmental performances.



DECENT WORK AND ECONOMIC GROWTH

- The Company's accreditation by prestigious certifications like '**Responsible Care**' and '**Excellence in Management of Environment**' from the Indian Chemical Council (ICC) underscores its dedication and commitment to environmental responsibility.
- The Company's **Sustainability Report 2022-23** won the coveted LACP (League of American Communications LLC) Award- Platinum as the best report in the Chemical Sector with the score of 99 out of 100.



RESPONSIBLE CONSUMPTION AND PRODUCTION

- The Company's Energy Consumption and Water Consumption has significantly decreased in the year 2022-23 than that of 21-22. The Company's Energy Consumption and Water Consumption has significantly decreased in the year 2022-23 than that of 2021-22. Even the Company's other than GHG emissions such as Sox, NOx, and Particulate Matter (PM) and Hazardous Air Pollutants (HAP) have decreased. Company's Scope 1 & Scope 2 emission even reduced.
- The Company consistently refines criteria to decrease the consumption of raw materials and enhance yields. Innovative technologies such as liquid-liquid extraction and carbon columns are employed to reclaim raw materials from waste streams, thereby reducing waste generation.
- The Company has implemented various measures to conserve energy, including the installation of additional condensate recovery systems and energy-efficient drives. An Auto Blow down system has been installed at the PNG Boiler to optimise energy usage. Furthermore, energy-efficient LED lights have been installed, and power consumption has been reduced through the installation of VFDs for selected drives. Centralised ACs have been replaced with split ACs to save power, and older transformer is replaced with energy efficient transformer.



CLIMATE ACTION

- The Company has prepared an ESG Charter to aid the Board and the Management in their oversight of matters concerning to Climate Change Crisis and related issues.
- The Company has procured an **ISO 14001:2015 certification** on Environment Management System.
- The Company focuses on pioneering on **Green Chemistry** and **Sustainable Growth**. Pioneering green chemistry and embracing sustainable growth are vital for addressing pressing environmental challenges and ensuring long-term prosperity. **Green chemistry** focuses on designing chemical processes and products that minimise environmental impact, reduce waste, and prioritise the use of renewable resources.



LIFE ON LAND

In a significant stride towards environmental sustainability, the Company has joined hands with *Green Yatra* to bolster urban plantation and enhance green cover across urban landscapes. This collaboration signifies a dedicated commitment to addressing the pressing challenges of urbanisation and climate change. By integrating *Green Yatra's* expertise in ecological conservation with the Company's resources and outreach, the initiative aims to transform urban areas into greener, healthier, and more sustainable environments. The focus is on planting indigenous trees, creating urban forests, and promoting biodiversity within city limits.



PEACE, JUSTICE, AND STRONG INSTITUTIONS

- The Company has also conducted transparency index exercise for all the value chain partners those who are set out in various countries. The Exercise taken place involves assessing the CPI (Corruption Perception Index) for all of their value chain companies (for the 2021-22 & 2022-23).
- The Company adheres to the **Global Reporting Initiatives (GRI)** guidelines, to direct its evaluation process and guarantee conformity with the global standards. The Company conducts a materiality assessment encompasses a comprehensive analysis of qualitative and quantitative data.



PARTNERSHIPS FOR THE GOALS

The Company is a member of the following Bodies/ Institutions: -

- Indian Chemical Council.
- All India Rubber Industry Association.
- Indian Rubber Institute.
- Indian Merchants Chamber.
- Thane-Belapur Industries Association.
- Dahej Industry Association

The Company is also engaged with various NGOs/Academy/Trust as a part of their CSR activities:

- RAWA Academy
- Cancer Patients Aids Association
- Sri Chaitanya Health Care Trust
- NM Sadguru Water and Development Foundation
- Foundation for Promotion of Sports and Games
- Seva Sahyog Foundation
- Consumer & Education Research Centre
- Sri Nityanand Education Trust
- Ashray Social Welfare Foundation
- Swayam Rehabilitation Trust
- Rays of Hope Charitable Trust
- Vowels of the People Association
- Green Yatra
- Matoshree Sevadham Arogya Seva Trust (MAST)



Assurance Statement on Third-party Verification of Sustainability Information

Unique identification number: 4153964099

TÜV SÜD South Asia Pvt Ltd. (hereinafter TÜV SÜD) has been engaged by NOCIL Limited, C-37, T.T.C. Industrial Area, Off. Thane-Belapur Road, Pawne Village, Post Turbhe, Navi Mumbai - 400 705 to perform a Limited Assurance and verification of sustainability information in the "BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT", of NOCIL Limited (hereinafter "Company") for the period from April 01, 2023 to March 31, 2024. The verification was carried out according to the steps and methods described below.

Scope of the verification

The third-party verification was conducted to obtain limited assurance about whether the sustainability information is prepared in accordance with the reporting criteria of the Standard on International Standard on Assurance Engagements (ISAE) 3000 (hereinafter "Reporting Criteria").

The following selected disclosures ("parts of the report") are included in the scope of the assurance engagement for reporting year April 01, 2023 – March 31, 2024, along with comparative previous year information.

The following selective disclosures in the Report "BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT", published at Annual Report 2023-24 <https://www.nocil.com/sustainability/>

S.No.	BRSR indicator reference	Description of indicator
1.	Section A – 20-a	Employees and workers (including differently abled)
2.	Section A – 20-b	Differently abled Employees and workers
3.	Section A – 21	Participation/Inclusion/Representation of women
4.	Section A – 22	Turnover rate for permanent employees and workers
5.	Section A – 23	Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct
6.	Section C – Principle 1 – 1 (Essential Indicator)	Percentage coverage by training and awareness programmes on any of the Principles during the Financial Year
7.	Section C – Principle 2 – 4 (Essential Indicator)	Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same
8.	Section C – Principle 3 – 1 (Essential Indicator)	Details of measures for the well-being of employees and workers
9.	Section C – Principle 3 – 2 (Essential Indicator)	Details of retirement benefits, for Current Financial Year
10.	Section C – Principle 3 – 3 (Essential Indicator)	Accessibility to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016
11.	Section C – Principle 3 – 5 (Essential Indicator)	Return to work and Retention rates of permanent employees and workers that took parental leave
12.	Section C – Principle 3 – 8 (Essential Indicator)	Details of training given to employees and workers
13.	Section C – Principle 3 – 9 (Essential Indicator)	Details of performance and career development reviews of employees and worker

Assurance Statement (Contd.)

S.No.	BRSR indicator reference	Description of indicator
14.	Section C – Principle 3 – 11 (Essential Indicator)	Details of safety related incidents
15.	Section C – Principle 3 – 13 (Essential Indicator)	Number of Complaints on working conditions & Health safety made by employees and workers
16.	Section C – Principle 3 – 14 (Essential Indicator)	Assessments for the year (Health and safety practices, Working Conditions)
17.	Section C – Principle 5 – 1 (Essential Indicator)	Employees and workers who have been provided training on human rights issues and policies of the entity
18.	Section C – Principle 5 – 2 (Essential Indicator)	Details of minimum wages paid to employees and workers
19.	Section C – Principle 5 – 6 (Essential Indicator)	Number of Complaints made by employees and workers
20.	Section C – Principle 6 – 1 (Essential Indicator)	Details of total energy consumption and energy intensity
21.	Section C – Principle 6 – 3 (Essential Indicator)	Details of total water consumption and water intensity
22.	Section C – Principle 6 – 4 (Essential Indicator)	Details of Water discharge by destination and level of treatment
23.	Section C – Principle 6 – 6 (Essential Indicator)	Details of air emissions (other than GHG emissions)
24.	Section C – Principle 6 – 7 (Essential Indicator)	Details of greenhouse gas emissions (Scope 1 and Scope 2 emissions)
25.	Section C – Principle 6 – 9 (Essential Indicator)	Details of total waste generated
26.	Section C – Principle 7 – 1 (Essential Indicator)	Number of affiliations with trade and industry chambers/ associations
27.	Section C – Principle 8 – 6 (Leadership Indicator)	Details of beneficiaries of CSR Projects
28.	Section C – Principle 9 – 3 (Essential Indicator)	Number of consumer complaints in respect of the reported category

Other than as described in the preceding paragraph, which sets out the scope of our engagement, we did not perform assurance procedures on the remaining information included in the sustainability reporting, and accordingly, we do not express a conclusion on this information. It was not part of our engagement to review product- or service-related information, references to external information sources, expert opinions and future-related statements in the Report.

Responsibility of the Company

The legal representatives of the Company are responsible for the preparation of the sustainability information in accordance with the Reporting Criteria. This responsibility includes in particular the selection and use of appropriate methods for sustainability reporting, the collection and compilation of information and the making of appropriate assumptions or, where appropriate, the making of appropriate estimates. Furthermore, the legal representatives are responsible for necessary internal controls to enable the preparation of a sustainability report that is free of material intentional or unintentional - erroneous information.

Assurance Statement (Contd.)

Verification methodology and procedures performed

The verification engagement has been planned and performed in accordance with the verification methodology developed by the TÜV SÜD Group which is based upon the ISO 17029 and ISAE 3000.

The applied level of assurance was “limited assurance”. Because the level of assurance obtained in a limited assurance, the engagement is lower than in a reasonable assurance engagement, the procedures the verification team performs in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement.

The verification was based on a systematic and evidence-based assurance process limited as stated above. The selection of assurance procedures is subject to the auditor’s own judgment.

The procedures included amongst others:

- Inquiries of personnel who are responsible for the stakeholder engagement und materiality analysis to understand the reporting boundaries
- Evaluation of the design and implementation of the systems and processes for compiling, analysing, and aggregating sustainability information as well as for internal controls
- Inquiries of company’s representatives responsible for collecting, preparing and consolidating sustainability information and performing internal controls
- Analytical procedures and inspection of sustainability information as reported at group level by all locations
- Assessment of local data collection and management procedures and control mechanisms through a sample survey at Mumbai plant, Dahej Plant and for Corporate office in Mumbai

Conclusion

On the basis of the assessment procedures carried out from May 07, 2024 to May 21, 2024, Nothing has come to our attention to suggest that the Report does not meet the completeness with respect the Reporting Criteria.

Limitations

The assurance process was subject to the following limitations:

- The subject matter information covered by the engagement are described in the “scope of the engagement”. Assurance of further information included in the sustainability reporting was not performed. Accordingly, TÜV SÜD do not express a conclusion on this information.
- The assurance scope excluded forward-looking statements, product- or service-related information, external information sources and expert opinions.

Use of this Statement

The Company must reproduce the TÜV SÜD statement and possible attachments in full and without omissions, changes, or additions.

This statement is by the scope of the engagement solely intended to inform the Company as to the results of the mandated assessment. TÜV SÜD has not considered the interest of any other party in the selected sustainability information, this assurance report or the conclusions TÜV SÜD has reached. Therefore, nothing in the engagement or this statement provides third parties with any rights or claims whatsoever.

Assurance Statement (Contd.)

Independence and competence of the verifier

TÜV SÜD South Asia Pvt Ltd. is an independent certification and testing organisation and member of the international TÜV SÜD Group, with accreditations also in the areas of social responsibility and environmental protection. The assurance team was assembled based on the knowledge, experience and qualification of the auditors. TÜV SÜD South Asia Pvt Ltd hereby declares that there is no conflict of interest with the Company.

Place, Date May 23, 2024

Gurugram (Haryana)



Prosenjit Mitra

GM - Audit Services

(Business Line - Verification, Validation & Audit)



Shashank Chaudhary

Manager - Sustainability Services

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures

Part A Subsidiaries

(₹ in Crores)

1	Sl. No.:	1
2	Name of the subsidiary:	PIL Chemicals Limited
3	Date since when the subsidiary was acquired	February 22, 2007
4	Reporting period for the subsidiary concerned, if different from the holding company's reporting period:	April 01, 2023 to March 31, 2024
5	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries:	Not Applicable
6	Share capital	8.35
7	Reserves & surplus	30.68
8	Total assets	45.42
9	Total Liabilities	45.42
10	Investments	17.37
11	Turnover	20.30
12	Profit before taxation	4.39
13	Provision for taxation	1.19
14	Profit after taxation	3.20
15	Proposed Dividend	12%
16	% of shareholding	100%

Notes:

- Names of subsidiaries which are yet to commence operations: None
- Names of subsidiaries which have been liquidated or sold during the year: None

Part B Associates and Joint Ventures: None

For and on behalf of the Board of Directors

Hrishikesh A. Mafatlal
Chairman
DIN: 00009872

D N Mungale
Director & Chairman Audit Committee
DIN: 00007563

Anand V.S.
Managing Director
DIN: 07918665

P. Srinivasan
Chief Financial Officer

Amit K. Vyas
Company Secretary

Place: Mumbai
Date: May 29, 2024

Independent Auditor's Report

To the Members of
Nocil Limited

Report on the Audit of the Standalone Ind-AS Financial Statements

Opinion

We have audited the accompanying standalone Ind-AS financial statements of **NOCIL LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity, the Statement of Cash Flow for the year then ended and the Notes to the standalone Ind-AS financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "standalone Ind-AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind-AS financial statements give the information required by the Companies Act, 2013, ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (India Accounting Standards) Rules, 2015, as amended, (Ind-AS) and with other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, the profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone Ind-AS financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone Ind-AS Financial Statements* section of our report. We are independent of the Company in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone Ind-AS financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. no.	Key audit matter description	How the scope of our audit addressed the key audit matter
1	<p>Revenue recognition and measurement</p> <p>Refer to Note 2 (Accounting policies) for revenue recognition and measurement, Note 26 of the Standalone Ind-AS Financial Statements for aggregate revenue from sale of products recognised as required by the applicable Ind AS. For the year ended March 31, 2024, the Company recognised revenues aggregating to INR 1,437.31 Crores.</p> <p>Risk identified:</p> <p>Revenue from sales of goods is one of the key profit drivers and is therefore susceptible to misstatement.</p>	<p>Our procedures included:</p> <p>Accounting policies: Assessing the Company's revenue recognition policies, by comparing with the applicable Ind AS.</p> <p>Tests of controls: Understanding and evaluating the design and implementation of controls and testing the operating effectiveness of key controls over revenue recognition, the approval of pricing master and discounts, rebates, etc.</p> <p>Tests of details:</p> <ul style="list-style-type: none"> - Verified the supporting documentation for determining that the revenue was recognised in the correct accounting period (cut-off testing).

Independent Auditor's Report (Contd.)

<p>Revenue is measured based on transaction price, which is consideration, after deduction of discounts. Due to the Company's sales under various contractual terms and across locations, delivery to customers in different regions might take different time periods and may result in undelivered goods at the period end. We consider there to be a risk of misstatement of the financial statements related to transactions occurring close to the year end, as transactions could be recorded in the incorrect financial period (cut-off risk).</p> <p>Accordingly, revenue recognition is a key audit matter.</p>	<ul style="list-style-type: none"> - Verifying the manual journals posted to revenue to identify unusual or irregular items. - To assess the recoverability of trade receivables, our procedures included an assessment of whether the provision against, or write off of, impacted our view as to the initial recognition of the related revenue. <p>We also assessed as to whether the disclosures in respect of revenue were adequate.</p>
<p>2. System environment and internal controls</p> <p>Risk identified:</p> <p>The Information Technology and business process controls implemented might not be designed, implemented or operating in a manner conducive to the effective processing and reporting of financial information.</p> <p>The system environment introduces risks related to system access, change management, and we have accordingly designated this as a focus area in the audit.</p> <p>The risk of end user devices which are used to store or process the Company's information may not be encrypted to prevent breach of the Company's information.</p> <p>The risk of access to Operating system and SAP codes are given to unauthorised persons.</p>	<p>Our procedures included:</p> <p>Tests conducted:</p> <p>Our response to the risks related to the system environment includes both the test of IT and business process controls. We also performed sufficient tests of details as part of our audit.</p> <p>We tested the Company's controls around access and change management related to key IT systems through our Information Technology specialist.</p>

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

The Company's Board of Directors is responsible for the other information. The other information comprises the Director's Report and Report on Corporate Governance but does not include the standalone Ind-AS financial statements and our auditor's report thereon which we obtained prior to the date of this auditor's report.

Our opinion on the standalone Ind-AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone Ind-AS financial statements, our responsibility is to read the other information identified above and, in doing so, consider

whether the other information is materially inconsistent with the standalone Ind-AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Ind-AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act, with respect

Independent Auditor's Report (Contd.)

to the preparation of these standalone Ind-AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind-AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Standalone Ind-AS Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Independent Auditor's Report (Contd.)

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Report on Other Legal and Regulatory Requirements

- 1) As required by the Companies (Auditor's Report) Order, 2020, ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the said Order, to the extent applicable.
- 2) As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our

knowledge and belief were necessary for the purpose of our audit.

- b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books, except for the matter stated in paragraph 2(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- c) The Balance Sheet, the Statement of Profit and Loss (*including Other Comprehensive Income*), the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone Ind-AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with relevant rule issued thereunder.
- e) On the basis of the written representations received from the Directors of the Company as on March 31, 2024, and taken on record by the Board of Directors, none of the Directors of the Company are disqualified as on March 31, 2024, from being appointed as a Director in terms of section 164(2) of the Act.
- f) The observation relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph (b) above on reporting under Section 143(3)(b) and paragraph h(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 ("the Rules"), in our opinion and to the best of our information and according to the explanations given to us:

Independent Auditor's Report (Contd.)

- i) The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind-AS financial statements - Refer Note 37 to the standalone Ind-AS financial statements.
- ii) The Company has made provision, as required under the applicable laws or Accounting Standards for material foreseeable losses, if any, on long term contracts including derivative contracts. Refer Notes 2(g) and Note 42.5 to the standalone Ind-AS financial statements.
- iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2024.
- iv) The Management has represented that:
 - a) to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entity(ies) ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) to the best of their knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or

invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

Based on such audit procedures performed by us which is considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) of the Rules as provided under a) and b) above contain any material misstatement.

- v) As per information and explanation represented by Management and based on the records of the Company, the dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.

The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

- vi) Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except that no audit trail was enabled at the database level for accounting software SAP (database MS SQL) to log any direct data changes. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with, in respect of accounting software for the period for which the audit trail feature was enabled and operating.

Independent Auditor's Report (Contd.)

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Rules on preservation of audit trail as per the statutory requirements for record retention is not applicable for the year ended March 31, 2024.

- 3) In our opinion and according to information and explanations given to us and based on our examination of the records of the Company, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act.

For KALYANIWALLA & MISTRY LLP
Chartered Accountants
Firm Regn. No.: 104607W / W100166

Daraius Z. Fraser
Partner
M. No.: 42454
UDIN: 24042454BKBD4565
Mumbai: May 29, 2024.

Annexure A to the Independent Auditor's Report

The Annexure referred to in paragraph 1 'Report on Other Legal and Regulatory Requirements' in our Independent Auditors' Report to the members of the Company on the Standalone Ind-AS Financial Statements for the year ended March 31, 2024:

Statement on Matters specified in paragraphs 3 and 4 of the Companies (Auditor's Report) Order, 2020:

- i) Property Plant and Equipment:
 - a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
 - (B) The Company has maintained proper records showing full particulars of intangible assets.
 - b) The Company has a program of physical verification of Property, Plant and Equipment by which the property, plant and equipment including Right-to-use assets are verified by the Management according to a phased programme designed to cover all the items over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In accordance with the policy, the Company has physically verified certain property, plant and equipment during the year. No material discrepancies were noticed in respect of assets verified during the year.
 - c) Based on our examination of the registered sales deed provided to us, we report that the title deeds of immovable properties (other than properties where the Company is the Lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company or in the name of the erstwhile Company as disclosed in Note 3 of the Standalone Financial Statements.
 - d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
- e) According to the information and explanations given to us, representation obtained from Management and on the basis of our examination of the records of the Company, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2024, for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) (as amended in 2016) and rules made thereunder.
- ii) Inventory:
 - a) The Management has conducted physical verification of inventories at reasonable intervals. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its operations. The discrepancies noticed on such physical verification of inventories between physical stock and book records is less than 10% in the aggregate for each class of inventories and have been properly dealt with in the books of account.
 - b) According to the information and explanations given to us by the Management and books and records maintained, the Company has been sanctioned working capital limits in excess of ₹ 5 Crore, in aggregate, at various points of time during the year, from banks on the basis of security of current assets of the Company. In our opinion and according to the information and explanations given to us, the quarterly returns filed by the Company with such banks are in agreement with the unaudited books of account of the Company of the respective quarters. The Company has no borrowings from financial institutions during the year.
- iii) The Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Therefore, the provisions of sub-clause (a), (b), (c), (d), (e) and (f) of paragraph 3 (iii) of the Order are not applicable.
- iv) According to the information and explanations given to us, the Company has not advanced any loans or

Annexure A to the Independent Auditor's Report (Contd.)

given guarantee or provided any security to parties covered under section 185 of the Companies Act, 2013. In our opinion and according to the information and explanations given to us and records examined by us, the provisions of section 186 of the Companies Act, 2013, in respect of investments made have been complied with by the Company.

- v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 of the Act and the rules framed thereunder apply. Accordingly, paragraph (v) of the Order is not applicable to the Company.
- vi) We have broadly reviewed the books of account and records maintained by the Company in respect of the product covered under the Rules prescribed by the Central Government for the maintenance of cost records, under sub section (1) of Section 148 of the Companies Act, 2013 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have, however, not made a

detailed examination of the cost records with a view to determine whether they are accurate or complete.

vii) Statutory Dues:

- a) According to the information and explanations given to us and on the basis of the records examined by us, the Company is regular in depositing undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material applicable statutory dues during the year. We have been informed that there are no undisputed dues which have remained outstanding as at the last day of the financial year, for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to us, details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2024, on account of disputes are given below:

Name of Statute	Nature of Dues	Amount (₹ Crores)	Period to which the amount relates	Forum where dispute is pending
The Central Excise Act, 1944	Excise Duty / Service Tax demands relating to disputed classification, assessable values, etc, which the Company has contested and is in appeals.	0.08	1991-1996, 1997-1999	Commissioner
The Customs Tariff Act, 1962	Custom Duty demands relating to classifications, etc. Net of amount paid under protest ₹ 0.05 Crores.	Nil	2011-2013	CESTAT
Central Sales Tax Act, 1956 and various State Sales Tax Acts	Sales Tax demands. Net of amount paid under protest ₹ 0.54 Crores	3.59	1995-1999, 2003-2004	Appellate Tribunal
		0.06	2001-2002, 2004-2005	Commissioner (Appeals)
		4.35	2013-17	Commissioner (Appeals)

Annexure A to the Independent Auditor's Report (Contd.)

Name of Statute	Nature of Dues	Amount (₹ Crores)	Period to which the amount relates	Forum where dispute is pending
The Finance Act 1994	Service Tax relating to disputed classification, assessable values, etc., which the Company has contested and is in appeals at various levels. Net of amount paid under protest ₹ 0.06 Crores.	1.91	2010-2016	CESTAT
Income-tax Act, 1961	Income-tax demands against which the Company has preferred appeals. Net of amount paid under protest ₹ 2.38 Crores.	2.69	2011-12, 2012-13, 2016-17, 2019-20, 2020-21	Commissioner of Income tax (Appeals)
Employees Provident Funds & Miscellaneous Provisions Act, 1952	Provident Fund Contribution Case (PPD and PCD)	0.02	2002-2004	Assistant PF Commissioner
Goods and Service tax Act	Under Declaration of ineligible ITC. Net of amount paid under protest ₹ 0.04 Crores	0.77	2017-18	GST Gujarat State Tax Officer

viii) According to the information and explanations given to us and on the basis of the records examined by us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix) Borrowings:

- In our opinion and according to the information and explanations given to us, the Company has not defaulted during the year in repayment of loans or other borrowings or payment of interest thereon to any lender.
- In our opinion and according to the information and explanations given to us and representation obtained from Management, the Company has not been declared wilful defaulter by any bank or financial institution or other lenders.
- In our opinion and according to the information and explanations given to us and representation obtained from Management, the Company has applied the term loans availed during the year for the purpose for which the loans were obtained.

d) In our opinion and according to the information and explanations given to us and representation obtained from Management, on an overall examination of the standalone Ind-AS financial statements of the Company, funds raised on short-term basis have not been used during the year for long-term purposes by the Company.

- According to the information and explanations given to us, representation obtained from Management, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary company. The Company does not have joint ventures or associate companies hence the question of reporting on the same does not arise.
- According to the information and explanations given to us, representation obtained from Management, the Company has not raised loans during the year on the pledge of securities held in its subsidiary company. The Company does not have joint ventures or associate companies hence the question of reporting on the same does not arise.

Annexure A to the Independent Auditor's Report (Contd.)

x) Allotment of Shares

- (a) According to the information and explanations given to us, representation obtained from Management, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions of paragraph 3(x)(b) of the Order is not applicable to the Company.

xi) Frauds

- (a) According to the information and explanations given to us, on the basis of the records examined by us and representation from Management, no fraud by the Company or any fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) According to the information and explanations given to us and representation from Management, no whistle-blower complaints has been received by the Company during the year.

xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties

are in compliance with sections 177 and 188 of the Act with respect to applicable transactions with the related parties and details of such transactions have been disclosed in the standalone Ind-AS financial statements as required by the applicable accounting standards.

xiv) Internal Audit System

- (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with Directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi) In respect of registration u/s 45-IA

- (a) In our opinion, according to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and has also not conducted any Non-Banking Financial or Housing Finance activities. Hence, reporting under clause 3(xvi)(a) and (b) of the Order are not applicable.
- (b) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Hence, reporting under clause 3(xvi)(c) and (d) of the Order are not applicable.

xvii) According to the information and explanations given to us and based on our examination of the standalone Ind-AS financial statements of the Company, the Company has not incurred cash losses during the current financial year and the immediately preceding financial year.

Annexure A to the Independent Auditor's Report (Contd.)

xviii) There has been no resignation of the statutory auditor of the Company during the year.

xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone Ind-AS financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year

from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and representation from Management. Our report does not give any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx) Corporate Social Responsibility

There are no unspent amounts towards Corporate Social Responsibility (CSR) as at March 31, 2024. Accordingly, reporting under clause 3(xx)(a) and 3(xx)(b) of the Order is not applicable for the year.

For KALYANIWALLA & MISTRY LLP

Chartered Accountants

Firm Regn. No.: 104607W / W100166

Daraius Z. Fraser

Partner

M. No.: 42454

UDIN: 24042454BKBKDD4565

Mumbai: May 29, 2024.

Annexure B to the Independent Auditor's Report

Independent Auditor's report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of **NOCIL LIMITED** ("the Company") as of March 31, 2024, in conjunction with our audit of the standalone Ind-AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such

controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with reference to standalone Ind-AS Financial Statements

A Company's internal financial control with reference to standalone Ind-AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that:

- 1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- 2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- 3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Annexure B to the Independent Auditor's Report (Contd.)

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

Opinion

In our opinion, to the best of our knowledge and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

For KALYANIWALLA & MISTRY LLP

Chartered Accountants

Firm Regn. No.: 104607W / W100166

Daraius Z. Fraser

Partner

M. No.: 42454

UDIN: 24042454BKBKDD4565

Mumbai: May 29, 2024.

Standalone Balance Sheet

As at March 31, 2024

(₹ in Crores)

Particulars	Note	As at March 31, 2024	As at March 31, 2023
ASSETS			
Non-Current Assets			
(a) Property, Plant and Equipment	3	621.30	637.51
(b) Right of Use Assets	3A	220.79	222.00
(c) Capital Work-In-Progress	3	16.12	8.48
(d) Investment Property	4	0.42	0.44
(e) Intangible Assets	5	3.62	3.19
(f) Financial Assets			
(i) Investments in Wholly Owned Subsidiary	6	25.04	25.04
(ii) Other Investments	7	112.24	41.73
(iii) Other Financial Assets	8	9.30	9.13
(g) Non-Current Tax Assets (Net)		17.13	16.50
(h) Other Non-Current Assets	9	7.54	10.70
Total Non-Current Assets		1,033.50	974.72
Current Assets			
(a) Inventories	10	222.69	284.72
(b) Financial Assets			
(i) Investments	11	269.81	164.20
(ii) Trade Receivables	12	340.18	345.98
(iii) Cash and Cash Equivalent	13	90.29	21.28
(iv) Bank Balances other than (iii) above	14	3.74	33.83
(v) Other Financial Assets	15	8.93	5.08
(c) Other Current Assets	16	27.35	11.36
Total Current Assets		962.99	866.45
Total Assets		1,996.49	1,841.17
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	17	166.65	166.64
(b) Other Equity	18	1,518.30	1,373.62
Total Equity		1,684.95	1,540.26
Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Lease Liabilities	19	10.86	6.83
(b) Provisions	20	14.52	15.61
(c) Deferred Tax Liabilities (Net)	34	120.91	106.85
Total Non-Current Liabilities		146.29	129.29
Current Liabilities			
(a) Financial Liabilities			
(i) Lease Liabilities	22	2.27	2.96
(ii) Trade Payables			
(a) Total outstanding dues of micro and small enterprises	21	2.67	1.74
(b) Total outstanding dues to creditors other than micro and small enterprises	21	115.68	126.60
(iii) Other Financial Liabilities	23	28.28	25.75
(b) Other Current Liabilities	24	12.11	9.75
(c) Provisions	25	4.24	4.82
Total Current Liabilities		165.25	171.62
Total Equity and Liabilities		1,996.49	1,841.17

Material accounting policies

2

The accompanying notes form an integral part of the Standalone Financial Statements

In terms of our report attached.

For Kalyaniwalla & Mistry LLP

Chartered Accountants

Firm Reg. No. 104607W/W100166

Daraius Z. Fraser

Partner

Membership No.: 42454

For and on behalf of the Board of Directors

Hrshikesh A. Mafatlal

Chairman

DIN: 00009872

P. Srinivasan

Chief Financial Officer

D N Mungale

Director & Chairman Audit Committee

DIN: 00007563

Amit Vyas

Company Secretary

Anand V.S.

Managing Director

DIN: 07918665

Place: Mumbai

Date: May 29, 2024

Standalone Statement of Profit & Loss

For the year ended March 31, 2024

(₹ in Crores)

Particulars	Note	For the year ended March 31, 2024	For the year ended March 31, 2023
I Revenue from Operations	26	1,444.67	1,616.57
II Other Income	27	39.88	7.25
III Total Income (I + II)		1,484.55	1,623.82
IV EXPENSES			
(a) Cost of materials consumed	28	783.01	908.72
(b) Purchases of Stock-in-trade		4.00	3.21
(c) Changes in stock of finished goods, work-in-progress and stock-in-trade	29	28.00	(24.31)
(d) Employee benefits expense	30	88.57	84.21
(e) Finance costs	31	1.62	1.19
(f) Depreciation and amortisation expense	32	51.47	54.39
(g) Other expenses	33	350.74	395.71
Total Expenses (IV)		1,307.41	1,423.12
V Profit Before Tax (III - IV)		177.14	200.70
VI Tax Expense			
(a) Current Tax	34	38.65	48.27
(b) Deferred Tax	34	7.14	3.46
(c) Short Provision for tax relating to earlier years	34	-	0.29
Total Tax Expense (VI)		45.79	52.02
VII Profit After Tax (V - VI)		131.35	148.68
VIII Other Comprehensive Income			
A (i) Items that may be reclassified to profit or loss		-	-
B (i) Items that will not be reclassified to profit or loss			
(a) Remeasurements of the defined benefit liabilities / (assets)		(1.09)	(0.39)
(b) Equity instruments through other comprehensive income		70.51	6.12
(ii) Income tax relating to items that will not be reclassified to profit or loss			
(a) On Remeasurements of the defined benefit liabilities / (assets)	34	0.06	(0.09)
(b) On Equity instruments through other comprehensive income	34	(6.97)	(0.49)
Total Other Comprehensive Income for the year (VIII)		62.51	5.15
IX Total Comprehensive Income for the year (VII+VIII)		193.86	153.83
X Earnings Per Equity Share (Face Value ₹ 10/- each)	35		
(a) Basic		7.88	8.92
(b) Diluted		7.85	8.89

Material accounting policies

2

The accompanying notes form an integral part of the Standalone Financial Statements

In terms of our report attached.

For Kalyaniwalla & Mistry LLP
Chartered Accountants
Firm Reg. No. 104607W/W100166

For and on behalf of the Board of Directors

Hrishikesh A. Mafatlal
Chairman
DIN: 00009872

D N Mungale
Director & Chairman Audit Committee
DIN: 00007563

Anand V.S.
Managing Director
DIN: 07918665

Daraius Z. Fraser
Partner
Membership No.: 42454

P. Srinivasan
Chief Financial Officer

Amit Vyas
Company Secretary

Place: Mumbai
Date: May 29, 2024

Standalone Statement of Cash Flows

For the year ended March 31, 2024

(₹ in Crores)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
A Cash flows from operating activities		
Profit before tax	177.14	200.70
Adjustments for:		
Finance costs	1.62	1.19
Interest income	(16.28)	(4.07)
Dividend income	(1.52)	(1.73)
Miscellaneous Income	(0.81)	(0.02)
(Profit)/Loss on Property, Plant & Equipment sold / scrapped / written off (Net)	(17.41)	0.14
Provision for Doubtful Debts	-	0.76
Bad Debts written off	-	0.02
Excess provision for earlier years written back	(1.78)	(1.42)
VAT Set Off Reversal	0.21	(0.56)
Fair Value gain on investments	(0.63)	(0.08)
Held-to-maturity gain on Non Convertible Debentures (NCD's)	(1.94)	(0.27)
Depreciation / amortisation expenses	51.47	54.39
Unrealised foreign exchange revaluation (Net)	(0.19)	0.22
Expense recognised in respect of equity-settled share-based payments	0.78	1.38
Rent from Investment Property / Others	(0.37)	(0.41)
Income from Redemption of Mutual Fund	(0.94)	(0.67)
Remeasurement of defined benefit liabilities / (assets) through OCI	(1.09)	(0.39)
Operating profit before working capital changes (i)	188.26	249.18
Adjustments for:		
(Increase)/Decrease in Trade Receivables	6.13	102.96
(Increase)/Decrease in Inventories	62.03	47.87
(Increase)/Decrease in Other Assets - Current & Non Current	(12.59)	15.23
(Increase)/Decrease in Other Financial Assets - Current & Non Current	(0.49)	(0.95)
Increase/(Decrease) in Trade Payable	(8.41)	(87.65)
Increase/(Decrease) in Provisions - Current & Non Current	(2.76)	(0.31)
Increase/(Decrease) in Other Financial Liabilities - Current & Non Current	0.82	2.10
Increase/(Decrease) in Other Liabilities - Current	2.36	(0.92)
Changes in Working Capital (ii)	47.09	78.33
Cash generated from operations (iii) = (i+ii)	235.35	327.51
Income taxes paid (Net) (iv)	(39.28)	(49.95)
Net cash generated from / (used in) operating activities (v) = (iii)+(iv)	196.07	277.56
B Cash flows from investing activities		
Payments to acquire financial assets	(765.27)	(307.48)
Proceeds on redemption of financial assets	696.19	117.53
Interest received	12.00	2.20
Dividends received	1.52	1.73

Standalone Statement of Cash Flows

For the year ended March 31, 2024 (Contd.)

(₹ in Crores)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Payments for purchase of property, plant and equipment	(34.11)	(28.47)
Proceeds from disposal of property, plant and equipment	18.56	0.32
Rent from Investment Property / Others	0.37	0.41
Payments for Intangible assets	(0.99)	(0.28)
Net cash (used in)/generated from investing activities (vi)	(71.73)	(214.04)
C Cash flows from financing activities		
Proceeds from issue of Equity Shares on exercise of ESOPs	0.05	1.15
Borrowings from Banks	22.01	20.00
Repayment of borrowings	(22.01)	(20.00)
Dividends paid	(50.07)	(49.99)
Interest paid on Lease liability	(0.95)	(0.67)
Principal payment of Lease Liability	(3.66)	(3.73)
Interest paid	(0.67)	(0.52)
Net cash (used in) financing activities (vii)	(55.30)	(53.76)
Net increase) / (decrease) in Cash and Cash Equivalents (v+vi+vii)	69.04	9.76
Cash and cash equivalents at the beginning of the year	21.28	11.55
Unrealised foreign exchange restatement in Cash and cash equivalents	(0.03)	(0.03)
Cash and Cash Equivalents at the end of the year	90.29	21.28
Reconciliation of Cash and Cash Equivalents with the Balance Sheet:		
Cash and Cash Equivalents at end of the period (including other Bank Balances)	94.03	55.11
Less: Unclaimed Dividend Bank Balances and Investments in Term Deposit (maturity greater than 3 months but less than 12 months) not considered as Cash and cash equivalents	(3.74)	(33.83)
Cash and Cash Equivalents at end of the year	90.29	21.28

Note:

The above Standalone cash flow statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (IND AS - 7) "Statement of Cash Flow".

The accompanying notes form an integral part of the Standalone Financial Statements

In terms of our report attached.

For Kalyaniwalla & Mistry LLP
Chartered Accountants
Firm Reg. No. 104607W/W100166

Daraius Z. Fraser
Partner
Membership No.: 42454

Place: Mumbai
Date: May 29, 2024

For and on behalf of the Board of Directors

Hrishikesh A. Mafatlal
Chairman
DIN: 00009872

P. Srinivasan
Chief Financial Officer

D N Mungale
Director & Chairman Audit Committee
DIN: 00007563

Amit Vyas
Company Secretary

Anand V.S.
Managing Director
DIN: 07918665

Statement of Changes in Equity

For the year ended March 31, 2024

(a) Equity Share Capital (Refer Note 17)

(₹ in Crores)

Particulars	Amount
Balance as at March 31, 2022	166.57
Changes in equity share capital during the year:	
Issue of equity shares on exercise of employee stock option plan	0.07
Balance as at March 31, 2023	166.64
Changes in equity share capital during the year:	
Issue of equity shares on exercise of employee stock option plan	0.01
Balance as at March 31, 2024	166.65

(b) Other Equity

(₹ in Crores)

Particulars	Other Equity		General Reserve	ESOP outstanding reserve	Retained Earnings	Other Comprehensive Income		Total
	Capital Reserve	Securities Premium				Equity Instrument through OCI	Other Items of OCI	
Balance as at March 31, 2022	0.15	27.56	48.65	4.79	1,205.25	(12.21)	(6.89)	1,267.30
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-
Restated balance as at March 31, 2022	0.15	27.56	48.65	4.79	1,205.25	(12.21)	(6.89)	1,267.30
Profit for the period	-	-	-	-	148.68	-	-	148.68
Other Comprehensive Income for the year, net of income tax	-	-	-	-	-	5.63	-	5.63
Remeasurement of Defined Benefit Obligation, net of income tax	-	-	-	-	-	-	(0.48)	(0.48)
Total Comprehensive Income for the year	-	-	-	-	148.68	5.63	(0.48)	153.83
Premium on shares issued	-	1.48	-	-	-	-	-	1.48
Payment of dividend (₹ 3 per equity share for 2021-22)	-	-	-	-	(49.98)	-	-	(49.98)
Recognition of share based payments	-	-	-	0.98	-	-	-	0.98
Balance as at March 31, 2023	0.15	29.04	48.65	5.77	1,303.95	(6.57)	(7.37)	1,373.62
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-
Restated balance as at March 31, 2023	0.15	29.04	48.65	5.77	1,303.95	(6.57)	(7.37)	1,373.62
Profit for the period	-	-	-	-	131.35	-	-	131.35
Other Comprehensive Income for the year, net of income tax	-	-	-	-	-	63.54	-	63.54
Remeasurement of Defined Benefit Obligation, net of income tax	-	-	-	-	-	-	(1.03)	(1.03)
Total Comprehensive Income for the year	-	-	-	-	131.35	63.54	(1.03)	193.86
Premium on shares issued	-	0.05	-	-	-	-	-	0.05
Payment of dividend (₹ 3 per equity share for 2022-23)	-	-	-	-	(49.99)	-	-	(49.99)
Recognition of share based payments	-	-	-	0.76	-	-	-	0.76
Balance as at March 31, 2024	0.15	29.09	48.65	6.53	1,385.31	56.97	(8.40)	1,518.30

Refer Note 18 for nature and purpose of Reserve.

The accompanying notes form an integral part of the Standalone Financial Statements

In terms of our report attached.

For Kalyaniwalla & Mistry LLP
Chartered Accountants
Firm Reg. No. 104607W/W100166

For and on behalf of the Board of Directors

Hrshikesh A. Mafatlal
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Partner
Membership No.: 42454

P. Srinivasan
Chief Financial Officer

Amit Vyas
Company Secretary

Place: Mumbai
Date: May 29, 2024

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

NOTE 1 GENERAL INFORMATION

a) Corporate information

NOCIL Limited ("the Company") having Company Identification No: L99999MH1961PLC012003 is a limited company incorporated on May 11, 1961 and is engaged in manufacture of rubber chemicals domiciled in India. The Company has manufacturing facilities at Navi Mumbai (Maharashtra) and at Dahej (Gujarat). The address of its registered office is Mafatlal House, H.T. Parekh Marg, Backbay Reclamation, Churchgate, Mumbai 400 020, Maharashtra, India. The products manufactured by the Company are used by the tyre industry and other rubber processing industries.

b) Basis of preparation and presentation

The standalone financial statements ("financial statement") of the Company have been prepared in accordance with generally accepted accounting principles in India under the historical cost convention on accrual basis at the end of each reporting period except for:

- Certain financial Assets and Liabilities that are measured at fair value
- Defined Benefit Plans that are measured at fair value
- Share based payments – calculated using the Black and Scholes option pricing model

The Generally Accepted Accounting principles in India comply in all material aspects with the Indian Accounting Standards ('Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 (the Act) read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended thereafter and other relevant provisions of the Companies Act, 2013.

The financial statements have been prepared on going concern basis. The accounting policies are applied consistently to all periods presented in the financial statements. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other

criteria as set out in the Division II of Schedule III of 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 not exceeding 12 months for the purpose of current or non-current classification of assets and liabilities.

The financial statements of the Company for the year ended March 31, 2024, have been approved for issue in accordance with the resolution of the Board of Directors on May 29, 2024.

c) Functional and presentational currency

The financial statements are presented in Indian Rupees (₹), which is the Company's functional and presentational currency. All amounts have been rounded to the nearest Crore with two decimals as per the requirement of Schedule III, unless otherwise indicated.

d) Key estimates and assumptions

The preparation of financial statements requires Management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable.

Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods of the revision if it affects both current and future periods.

Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are as follows:

Notes to the Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

- Determination of the estimated useful lives and residual value of tangible assets and the assessment as to which components of the cost may be capitalised (Note 2(a)).
- Determination of the estimated useful lives of intangible assets (Note 2(c)).
- Impairment of Property, Plant and Equipment (Note 2(d)).
- Recognition and measurement of defined benefit obligations (Note 2(l) and Note 40).
- Fair valuation of employee share options (Note 2(m) and Note 39).
- Discounting of long-term financial liabilities.
- Fair value measurement of financial instruments (Note 1(e)).
- Impairment of Financial and Non-financial assets.
- Recognition and measurement of provisions and contingencies, key assumptions about the likelihood and magnitude of an outflow of resources (Note 2(r)).
- Accruals of Sales incentives, Commission, etc.

e) Measurement of Fair value

The Company's accounting policies and disclosures require the measurement of fair values for financial instruments. The Company has an established control framework with respect to the measurement of fair values. The Management regularly reviews significant inputs and valuation adjustments. If third party information, such as Government approved valuers, broker quotes or pricing services, is used to measure fair values, then the Management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

While measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value

hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 inputs other than quoted prices included within Level 1, that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 inputs for the assets or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

f) Recent Pronouncements Amendments in Ind AS

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

NOTE 2 MATERIAL ACCOUNTING POLICIES

a) Property, Plant and Equipment

Property, Plant and Equipment (PPE) are stated at cost of acquisition, including any attributable cost for bringing the asset to its working condition for its intended use less accumulated depreciation and less accumulated impairment, if any. Cost includes expenses related directly to acquisition and installation of the concerned assets, borrowing cost during the construction period and estimated costs of dismantling and removing the item and restoring the site on which it is located and excludes any duties / taxes recoverable.

Notes to the Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

Advances paid towards the acquisition of PPE outstanding at each reporting date is classified as Capital Advances under "Other Non-Current Assets" and assets which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital Work in Progress".

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes all costs incurred to bring the assets to their present location and condition. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

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

An item of property, plant and equipment is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from de-recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

The estimated residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Subsequent costs are included in the assets carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the items will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Profit and Loss during the period in which they are incurred.

When significant identifiable parts of PPE are required to be replaced, the Company de-recognises

the replaced parts and recognises the new part with its own associated useful life and it is depreciated accordingly. In other cases, expenses are charged off to the Statement of Profit and Loss.

Depreciation is provided, under the Straight-Line method basis so as to write off the original cost of the asset less its estimated residual value over the estimated useful life. The Management's estimate of useful lives is in accordance with Schedule II to the Companies Act, 2013, except for auxiliaries and certain other machineries, where the life considered is 16-18 years instead of 25 years based on the technical evaluation done by the Company. Assets costing ₹ 50,000 or less are fully depreciated in the year of purchase.

b) Investment Property

Land or Building held to earn rentals or for capital appreciation or both rather than for use in the production or supply of goods and services or for administrative purposes; or sale in the ordinary course of business is recognised as Investment Property. Investment Property are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Though, the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in Notes. Fair values are determined based on an annual evaluation performed by a Government approved valuer.

Investment properties are de-recognised either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the Statement of Profit and Loss in the period of de-recognition.

c) Intangible Assets

An Intangible asset is recognised when it is probable that the future economic benefits that are attributable

Notes to the Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

to the asset will flow to the Company and the cost of the asset can be measured reliably. Intangible assets that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Intangible assets are amortised over their estimated useful life. The useful life of intangible assets are assessed as either finite or infinite. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Estimated useful lives of finite intangible assets are as follows:

Patents 10 years

Software 10 years

Changes in the expected useful life are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. Intangible assets with indefinite useful lives are not amortised but are tested for impairment annually. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

d) Impairment of Non-Financial Assets

At the end of each reporting period, the Company reviews the carrying amounts of its non-financial assets to determine whether there is any indication of an impairment loss. If any such indication exists, the recoverable amounts are estimated in order to determine the extent of the impairment loss (if any). An impairment loss is recognised whenever the carrying amount of an asset or a cash-generating unit exceeds its recoverable amount. The impairment

loss, if any, is recognised in the Statement of Profit and Loss in the period in which impairment takes place.

Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Where an impairment loss subsequently reverses, the carrying amount of the assets is increased to the revised estimate of its recoverable amount, however subject to the increased carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior accounting periods.

e) Inventories

Inventories are measured at lower of cost and net realisable value. Cost of inventories comprises all costs of purchase (net of input credits), costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost of stores and spares, raw materials, trading and other products is determined on weighted average basis. Cost of work-in-progress and finished stock is determined by the absorption costing method.

Net realisable value represents estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

Provision is made for cost of obsolescence and other anticipated losses, whenever considered necessary by Management based on the best judgement and estimates.

f) Cash and Cash Equivalents

Cash and Cash Equivalents in the Balance Sheet comprises cash on hand, bank balances and short term deposits with banks with an original maturity of three months or less which are readily convertible into cash and which are subject to insignificant risk of changes in value.

Notes to the Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

For the purpose of the Statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

g) Cash flow statement

Cash Flows are reported using Indirect Method, whereby profit for the year 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 flows from operating, investing and financing activities of the Company are segregated.

h) Investment in Subsidiaries

Investment in Subsidiary entities 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 entity the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss.

i) Financial instruments

A financial instrument is any contract that gives rise to financial assets of one entity and financial liability or equity of another entity. Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts.

➤ Financial Assets

Initial recognition:

Financial assets are recognised when a Company becomes a party to the contractual provisions of the instruments. Financial assets are initially measured at fair value plus transaction costs that are directly attributable to the acquisition or issue of financial assets.

Subsequent measurement of financial assets:

Financial assets are subsequently classified and measured at:

- amortised cost
- fair value through Profit and Loss (FVTPL)
- fair value through Other Comprehensive Income (FVTOCI).

Financial assets are not reclassified subsequent to their recognition, except if and in the period the Company changes its business model for managing financial assets.

❖ Trade Receivables and Loans:

All financial assets are recognised initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial asset at amortised cost. However, trade receivables that do not contain a significant financing component are measured at transaction price.

For investments in mutual fund, the Company has opted to account for the fair value through profit or loss.

❖ Debt Instruments:

Debt instruments are initially measured at amortised cost, fair value through other comprehensive income ('FVTOCI') or fair value through profit or loss ('FVTPL') till de-recognition on the basis of

- the Company's business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset.

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 on the

Notes to the Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

principal amount outstanding, are subsequently measured at amortised cost using the effective interest rate ('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):

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 other comprehensive income (OCI). Interest income calculated using the effective interest rate recognised in the Statement of Profit and Loss. A gain or loss on a financial asset measured at fair value through other comprehensive income shall be recognised in other comprehensive income, except for impairment gains or losses and foreign exchange gains and losses, until the financial asset is derecognised or reclassified. When the financial asset is derecognised the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment.

Measured at Fair Value Through profit and 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 in the Statement of Profit and Loss.

❖ **Equity Instruments:**

- Measured at Fair Value Through profit and Loss (FVTPL):

Investments in equity instruments other than investments in subsidiaries are classified as at FVTPL, unless the Company

irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for equity instruments which are not held for trading.

- Measured at Fair value through other comprehensive income (FVTOCI):

On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs.

Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the reserve for 'equity instruments through other comprehensive income'. On de-recognition, amounts presented in other comprehensive income shall not be subsequently transferred to profit or loss, but may transfer the cumulative gain or loss within equity

Impairment of financial assets:

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset.

For trade receivables, the Company measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109.

This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

Notes to the Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

De-recognition of financial assets:

The Company de-recognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised 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**

Initial recognition

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss. In case of trade payables, they are initially recognised at fair value and subsequently, these liabilities are held at amortised cost, using the effective interest method.

Subsequent Measurement

Financial liabilities are subsequently measured at amortised cost using the EIR 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. The interest expenses using the effective interest method is recognised over the relevant period of the financial asset. The same is included under Finance cost in the Statement of profit and Loss unless it is capitalised as part of cost of an item of Property, Plant and Equipment.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of the new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

❖ **Derivative financial instruments**

The Company enters into a variety of derivative financial instruments to manage its exposure to foreign exchange rate risks, including foreign exchange forward contracts.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in the Statement of Profit and Loss immediately.

Derivatives embedded in non-derivative host contracts that are not financial assets within the scope of Ind AS 109 are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an

Notes to the Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

j) Foreign Exchange Transactions

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

k) Revenue recognition

Revenue from sale of products is recognised when the products are dispatched to customers, all significant contractual obligations have been satisfied and the collection of the resulting receivable is reasonably expected. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract.

Accumulated experience is used to estimate and provide for the discounts and returns. No element of financing is deemed present as the sales are made with normal credit days consistent with market practice.

Export incentives are recognised as income as per the terms of the scheme in respect of the exports made and included as part of "Other Operating Revenues".

Dividend and interest income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established.

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR), which is the rate that discounts the estimated future cash payments or receipts through the expected life of the financial instruments or a shorter period, where appropriate, to the net carrying amount of the financial assets. Interest income is included in other income in the Statement of Profit and Loss.

l) Employee benefits

Short-term Employee Benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, performance incentives, etc., are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the employee renders the related service. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Post-Employment Benefits:

(a) Defined Contribution Plans

Payments made to a defined contribution plan such as Provident Fund, Family Pension, and Superannuation scheme are charged as an expense in the Statement of Profit and Loss as they fall due.

(b) Defined Benefit Plans

The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, after discounting the same. The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. Re-

Notes to the Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

measurement of the net defined benefit liability, comprises actuarial gains and losses which are recognised immediately in Other Comprehensive Income (OCI). Net interest expense/ (income) on the net defined liability/ (assets) is computed by applying the discount rate used to measure the net defined liability/ (asset). Net interest expense and other expenses related to defined benefit plans are recognised in Statement of Profit and Loss. When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in Statement of Profit and Loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(c) Other Long-Term Employee Benefits

The Company's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Re-measurement are recognised in Statement of Profit and Loss in the period in which they arise.

m) **Equity Share-Based Payments**

Employees of the Company also receive remuneration in the form of share based payments in consideration of the services rendered.

Under the equity settled share based payment, the fair value on the grant date of the awards given to employees is recognised as 'employee benefit expenses' with a corresponding increase in equity over the vesting period. The fair value of the options at the grant date is calculated on the basis of the Black Scholes model. At the end of each reporting period, apart from the non-market vesting condition, the expense is reviewed and adjusted to reflect changes to the level of options expected to vest. When the options are exercised, the Company issues fresh equity shares.

When the terms of an equity-settled award are modified, an additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise

beneficial to the employee as measured at the date of modification.

n) **Leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

As a Lessee

The Company's lease assets classes primarily consist of leases for land, buildings and office equipments. The Company assesses whether a contract contains a lease, at inception of a 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 date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over

Notes to the Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

the shorter of the lease term and useful life of the underlying asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment.

Leasehold land is amortised on a straight-line basis over the period of the lease. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows

As a Lessor

Lease payments under operating leases is generally recognised as an expense on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the underlying asset and recognised as an expense over the lease term on the same basis as the lease income.

o) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

p) Taxes on Income

Income tax expense comprises current tax expense and the deferred tax during the year. Current and deferred taxes are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Current tax

Current tax is measured at the amount of tax expected to be payable on the taxable income for the year and any adjustments to the tax payable or receivable in respect of previous years as determined in accordance with the provisions of the Income Tax Act, 1961 that have been enacted or subsequently enacted at the end of the reporting period.

Current tax assets and current tax liabilities are offset when there is legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Notes to the Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

q) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Company has a present obligation as a result of a past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and when a reliable estimate of the amount of the obligation can be made. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date. The expenses relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as finance cost.

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.

A contingent asset is not recognised but disclosed in the financial statements where an inflow of economic benefit is probable.

Provisions, contingent assets, contingent liabilities and commitments are reviewed at each balance sheet date.

r) Earnings Per Share (EPS)

Basic 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.

Diluted EPS is computed by dividing the net profit for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, except where the results are anti-dilutive.

s) Dividend

The final dividend on shares is recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

t) Segment Reporting

The Company is considered to be a single segment company – engaged in the manufacture of rubber chemicals. As per Ind AS-108 'Operating Segments', if a financial report contains both the consolidated financial statements of a parent that is within the scope of Ind AS-108 as well as the parent's separate financial statements, segment information is required only in the consolidated financial statements. Accordingly, information required to be presented under Ind AS-108 Operating Segments has been given in the consolidated financial statements.

Notes to the Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 3 PROPERTY, PLANT AND EQUIPMENT

(₹ in Crores)

Particulars	Buildings	Plant and Equipment	Office Equipment	Furniture and Fixtures	Vehicles	Total
I. Gross Carrying Value						
Balance as at April 1, 2023	213.64	704.04	8.32	4.84	4.72	935.56
Additions	1.01	23.28	2.01	0.22	1.10	27.62
Disposals / Transfers	-	(1.76)	(0.12)	-	(2.31)	(4.19)
Balance as at March 31, 2024	214.65	725.56	10.21	5.06	3.51	958.99
II. Accumulated depreciation and impairment						
Balance as at April 1, 2023	43.77	241.67	5.99	3.90	2.72	298.05
Depreciation expense for the year	6.60	34.21	1.19	0.27	0.41	42.68
Eliminated on disposal / transfer of assets	-	(1.15)	(0.12)	-	(1.77)	(3.04)
Balance as at March 31, 2024	50.37	274.73	7.06	4.17	1.36	337.69
III. Net Carrying value as at March 31, 2024 (I-II)	164.28	450.83	3.15	0.89	2.15	621.30

(₹ in Crores)

Particulars	Buildings	Plant and Equipment	Office Equipment	Furniture and Fixtures	Vehicles	Total
I. Gross Carrying Value						
Balance as at April 1, 2022	210.34	686.45	7.43	4.43	4.28	912.93
Additions	3.38	19.70	1.03	0.41	0.76	25.28
Disposals / Transfers	(0.08)	(2.11)	(0.14)	-	(0.32)	(2.65)
Balance as at March 31, 2023	213.64	704.04	8.32	4.84	4.72	935.56
II. Accumulated depreciation and impairment						
Balance as at April 1, 2022	36.60	206.61	5.23	3.39	2.54	254.37
Depreciation expense for the year	7.22	36.73	0.90	0.51	0.48	45.84
Eliminated on disposal / transfer of assets	(0.05)	(1.67)	(0.14)	-	(0.30)	(2.16)
Balance as at March 31, 2023	43.77	241.67	5.99	3.90	2.72	298.05
III. Net Carrying value as at March 31, 2023 (I-II)	169.87	462.37	2.33	0.94	2.00	637.51

Notes:

a) Property, Plant & Equipment relating to approved R & D facility included above is as under:

(₹ in Crores)

Particulars	Gross Block	Depreciation	Net Block
Balance as at April, 1, 2022	6.60	4.33	2.27
Additions during the year	0.81	-	0.81
Depreciation expense for the year	-	0.40	(0.40)
Disposals / Deletions	(0.22)	(0.20)	(0.02)
Balance as at March 31, 2023	7.19	4.53	2.66
Additions during the year	0.24	-	0.24
Depreciation expense for the year	-	0.39	(0.39)
Disposals / Deletions	-	-	-
Balance as at March 31, 2024	7.43	4.92	2.51

Notes to the Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 3 PROPERTY, PLANT AND EQUIPMENT (Contd.)

- b) Refer note 37 for disclosure of contractual commitment for acquisition of Property, Plant and Equipment.
- c) The Company has not revalued its Property, Plant and Equipment during the year.

d) Capital Work-in-Progress (CWIP) :

Ageing Schedule of Capital work-in-progress as on March 31, 2024

(₹ in Crores)

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	14.46	0.86	0.80	-	16.12
Projects temporarily suspended	-	-	-	-	-
Total	14.46	0.86	0.80	-	16.12

Ageing Schedule of Capital work-in-progress as on March 31, 2023

(₹ in Crores)

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	7.28	1.20	-	-	8.48
Projects temporarily suspended	-	-	-	-	-
Total	7.28	1.20	-	-	8.48

- e) Details of Capital Work-in-Progress whose completion is overdue as compared to its original plan as at March 31, 2024

(₹ in Crores)

Overdue completion of Projects lying in Capital Work-in-progress	To be completed in					Remarks
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	
Projects more than ₹ 25 Lacs						
Installation of Solar system	0.52	-	-	-	0.52	Project execution is completed. Govt. Metering is in process, expected capitalisation in Q1 2024-25.
Basic engineering study done for rubber chemical business expansion	1.47	-	-	-	1.47	Project completed, expected capitalisation alongwith main project. Board approval for main project is received in March 24.
Total	1.99	-	-	-	1.99	
Other Projects (below ₹ 25 Lacs)	1.12	-	-	-	1.12	
Total	3.11	-	-	-	3.11	

Notes to the Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 3A RIGHT OF USE ASSETS

(₹ in Crores)

Particulars	Land	Buildings	Office Equipments	Total
I. Gross Carrying Value				
Balance as at April 1, 2023	244.13	18.31	1.32	263.76
Additions	-	8.06	-	8.06
Disposals	-	(2.87)	-	(2.87)
Balance as at March 31, 2024	244.13	23.50	1.32	268.95
II. Accumulated depreciation and impairment				
Balance as at April 1, 2023	31.31	10.19	0.26	41.76
Depreciation expense for the year	4.47	3.48	0.26	8.21
Eliminated on disposal of assets	-	(1.81)	-	(1.81)
Balance as at March 31, 2024	35.78	11.86	0.52	48.16
III. Net Carrying value as at March 31, 2024 (I-II)	208.35	11.64	0.80	220.79

(₹ in Crores)

Particulars	Land	Buildings	Office Equipments	Total
I. Gross Carrying Value				
Balance as at April 1, 2022	244.13	11.73	-	255.86
Additions	-	7.68	1.32	9.00
Disposals	-	(1.10)	-	(1.10)
Balance as at March 31, 2023	244.13	18.31	1.32	263.76
II. Accumulated depreciation and impairment				
Balance as at April 1, 2022	26.84	7.12	-	33.96
Depreciation expense for the year	4.47	3.16	0.26	7.89
Eliminated on disposal of assets	-	(0.09)	-	(0.09)
Balance as at March 31, 2023	31.31	10.19	0.26	41.76
III. Net Carrying value as at March 31, 2023 (I-II)	212.82	8.12	1.06	222.00

NOTE 4 INVESTMENT PROPERTY

(₹ in Crores)

Particulars	Buildings
I. Gross Carrying Value	
Balance as at April 1, 2023	0.91
Additions	-
Disposals	-
Balance as at March 31, 2024	0.91
II. Accumulated depreciation and impairment	
Balance as at April 1, 2023	0.47
Depreciation expense for the year	0.02
Eliminated on disposal of assets	-
Balance as at March 31, 2024	0.49
III. Net Carrying value as at March 31, 2024 (I-II)	0.42

Notes to the Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 4 INVESTMENT PROPERTY (Contd.)

(₹ in Crores)

Particulars	Buildings
I. Gross Carrying Value	
Balance as at April 1, 2022	0.83
Additions	0.08
Disposals	-
Balance as at March 31, 2023	0.91
II. Accumulated depreciation and impairment	
Balance as at April 1, 2022	0.40
Depreciation expense for the year	0.07
Eliminated on disposal of assets	-
Balance as at March 31, 2023	0.47
III. Net Carrying value as at March 31, 2023 (I-II)	0.44

Note:

a) Fair value disclosures

The fair value of the Company's investment properties as at March 31, 2024 and March 31, 2023 has been arrived at on the basis of a valuation carried out on the respective dates by independent & government certified valuer not related to the Company. The fair value was determined based on the comparable sale and market analysis approach based on recent market prices without any significant adjustments being made to the market observable data. In estimating the fair value of the properties, the highest and best use of the properties is their current use.

Details of the Company's investment properties and information about the fair value hierarchy as at March 31, 2024 and March 31, 2023 are as follows:

(₹ in Crores)

Particulars	Amount	Fair value hierarchy
As at March 31, 2024		
Fair value of Investment property - Residential Units located in India	15.21	Level 2
As at March 31, 2023		
Fair value of Investment property - Residential Units located in India	16.11	Level 2

- b) The Company has no restriction on the releasability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements
- c) Information regarding Income and Expenditure of Investment Property

(₹ in Crores)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Rental Income derived from Investment Properties	0.26	0.31
Less: Direct Operating Expenses	(0.01)	(0.12)
Gain arising from Investment properties before depreciation	0.25	0.19
Less: Depreciation	(0.02)	(0.02)
Net Income arising from Investment properties	0.23	0.17

Notes to the Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 5 INTANGIBLE ASSETS

(₹ in Crores)

Particulars	Patents	Software	Total
I. Gross Carrying Value			
Balance as at April 1, 2023	7.62	4.29	11.91
Additions	-	0.99	0.99
Disposals	-	-	-
Balance as at March 31, 2024	7.62	5.28	12.90
II. Accumulated depreciation and impairment			
Balance as at April 1, 2023	5.23	3.49	8.72
Depreciation expense for the year	0.28	0.28	0.56
Eliminated on disposal of assets	-	-	-
Balance as at March 31, 2024	5.51	3.77	9.28
III. Net Carrying value as at March 31, 2024 (I-II)	2.11	1.51	3.62

(₹ in Crores)

Particulars	Patents	Software	Total
I. Gross Carrying Value			
Balance as at April 1, 2022	7.62	4.01	11.63
Additions	-	0.28	0.28
Disposals	-	-	-
Balance as at March 31, 2023	7.62	4.29	11.91
II. Accumulated depreciation and impairment			
Balance as at April 1, 2022	4.94	3.14	8.08
Depreciation expense for the year	0.29	0.35	0.64
Eliminated on disposal of assets	-	-	-
Balance as at March 31, 2023	5.23	3.49	8.72
III. Net Carrying value as at March 31, 2023 (I-II)	2.39	0.80	3.19

Note:

- a) Intangible Assets relating to approved R & D facility included above is as under:

(₹ in Crores)

Particulars	Gross Block	Amortisation	Net Block
Balance as at April, 1, 2022	0.30	0.15	0.15
Additions during the year	-	-	-
Amortisation expense for the year	-	0.03	(0.03)
Balance as at March 31, 2023	0.30	0.18	0.12
Additions during the year	-	-	-
Amortisation expense for the year	-	0.03	(0.03)
Balance as at March 31, 2024	0.30	0.21	0.09

- b) All Intangible assets held by the Company are purchased and not internally generated.
- c) The Company has not revalued its Intangible assets during the year.

Notes to the Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 6 INVESTMENT IN WHOLLY OWNED SUBSIDIARY

(₹ in Crores)

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	Amount	No. of shares	Amount
Unquoted Investments in equity shares				
In Wholly owned Subsidiary (at cost)				
PIL Chemicals Ltd. (₹ 10/- each, fully paid-up)	83,54,833	25.04	83,54,833	25.04
Total	83,54,833	25.04	83,54,833	25.04
Aggregate Amount of Unquoted Investments		25.04		25.04

NOTE 7 NON CURRENT OTHER INVESTMENTS

(₹ in Crores)

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	Amount	No. of shares	Amount
Investment in equity instruments				
(i) Quoted Investments (at fair value through other comprehensive income (FVTOCI))				
- Mafatlal Industries Ltd. (₹ 2/- each, fully paid-up)	97,73,475	110.78	97,73,475	40.11
- HDFC Bank Ltd. (₹ 1/- each, fully paid-up)	10,000	1.45	10,000	1.61
Total Quoted Investments (A)		112.23		41.72
(ii) Unquoted Investments (at amortised cost)				
- The Bharat Co-Operative Bank Ltd. (₹ 10/- each, fully paid-up)	10,000	0.01	10,000	0.01
- Shree Balaji Sahakari Sakhar Karkhana Ltd. * (₹ 2,000/- each, fully paid-up)	1	0.00	1	0.00
- Mafatlal Engineering Industries Ltd. (₹ 100/- each, fully paid-up)	17,101	0.18	17,101	0.18
Less: Provision for Impairment		(0.18)		(0.18)
		-		-
Total Unquoted Investments (B)		0.01		0.01
Total Investments (A+ B)		112.24		41.73

Particulars	As at March 31, 2024	As at March 31, 2023
Aggregate Amount of Quoted Investments	112.23	41.72
Market Value of Quoted Investments	112.23	41.72
Aggregate Amount of Unquoted Investments (At Cost)	0.19	0.19
Aggregate Amount of Impairment in the Value of Investments	0.18	0.18

* Amount less than ₹ 0.01 Crores.

Notes to the Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 8 NON CURRENT - OTHER FINANCIAL ASSETS

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Financial Assets (at amortised cost)		
Security Deposits		
- Unsecured, considered good	9.30	9.12
- Unsecured, considered doubtful	3.00	3.00
Less : Allowance for doubtful deposits	(3.00)	(3.00)
	9.30	9.12
Earmarked Balances		
- Term Deposit with Bank (remaining maturity of more than 12 months)	-	0.01
Total	9.30	9.13

NOTE 9 OTHER NON CURRENT ASSETS

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Advances other than capital advances		
Balances with Government Authorities (other than income taxes)		
- CENVAT Credit Receivable	3.07	3.07
- VAT Credit Receivable	4.57	8.17
- Service Tax Credit Receivable	0.06	0.06
- GST Credit Receivable	0.04	-
- Others	0.26	0.26
	8.00	11.56
Less: Provision for doubtful receivables	(3.02)	(3.02)
	4.98	8.54
Prepaid Expenses	0.23	0.45
Capital Advances	2.33	1.71
Total	7.54	10.70

NOTE 10 INVENTORIES (AT LOWER OF COST AND NET REALISABLE VALUE)

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Raw materials (@)	85.71	120.07
Work-in-progress	33.57	29.71
Finished goods (#)	90.10	121.99
Stock-in-trade	0.52	0.49
Stores and spares	12.79	12.46
Total	222.69	284.72

Notes to the Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 10 INVENTORIES (AT LOWER OF COST AND NET REALISABLE VALUE) (Contd.)

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Included above, goods-in-transit:		
(i) Raw materials	3.21	7.01
(ii) Finished goods	-	-
Total	3.21	7.01

(@) Net of write down of ₹ 0.84 Crores (Previous year ₹ 0.84 Crores)

(#) Net of write down of ₹ 2.39 Crores (Previous year ₹ 3.37 Crores)

NOTE 11 FINANCIAL ASSETS - CURRENT INVESTMENTS

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Investments in Mutual Funds (Unquoted) (at fair value through profit and loss account (FVTPL))	35.62	20.07
(b) Investments in Non Convertible Debentures (NCDs) (Quoted) (at amortised cost through effective interest method)	234.19	144.13
Total Investments (A+B)	269.81	164.20

Particulars	As at March 31, 2024	As at March 31, 2023
Aggregate Amount of Quoted Investments	234.19	144.13
Market Value of Quoted Investments	234.14	143.99
Aggregate Amount of Unquoted Investments (At Cost)	35.62	20.07
Aggregate Amount of Impairment in the Value of Investments	-	-

NOTE 12 CURRENT FINANCIAL ASSETS - TRADE RECEIVABLES

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Considered good - Secured	-	-
(b) Considered good - Unsecured	340.18	345.98
(c) Which have significant increase in Credit Risk	-	-
(d) Credit Impaired	0.69	0.88
Less: Allowance for doubtful debts	(0.69)	(0.88)
Total	340.18	345.98

Notes to the Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 12 CURRENT FINANCIAL ASSETS - TRADE RECEIVABLES (Contd.)

Trade Receivables Ageing Schedule as at March 31, 2024

(₹ in Crores)

Particulars	Not due	Outstanding for following periods from due date of payment		Total
		Less than 6 months	6 months - 1 year	
(i) Undisputed Trade receivables – considered good	308.69	31.44	0.05	340.18
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-
Total	308.69	31.44	0.05	340.18

Trade Receivables Ageing Schedule as at March 31, 2023

(₹ in Crores)

Particulars	Not due	Outstanding for following periods from due date of payment		Total
		Less than 6 months	6 months - 1 year	
(i) Undisputed Trade receivables – considered good	328.68	17.25	0.05	345.98
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-
Total	328.68	17.25	0.05	345.98

Notes to the Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 13 CURRENT FINANCIAL ASSETS - CASH AND CASH EQUIVALENTS

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Cash on hand	0.11	0.07
Balances with banks	14.39	21.21
Investments in term deposits (with original maturity of less than three months)	75.79	-
Total	90.29	21.28
Cash and Cash Equivalents as per Statement of Cash Flows	90.29	21.28

NOTE 14 CURRENT FINANCIAL ASSETS - OTHER BANK BALANCES

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Earmarked balances with banks		
- Unpaid dividend account	3.73	3.81
Investments in term deposits (with original maturity of more than three months but less than twelve months)	0.01	30.02
Total	3.74	33.83

NOTE 15 CURRENT - OTHER FINANCIAL ASSETS

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Financial Assets (at amortised cost)		
Interest free Loans to employees (Unsecured, considered good)	0.01	0.01
Security Deposits (Unsecured, considered good)	0.16	-
Interest accrued on deposits and NCD's	8.76	5.07
Total	8.93	5.08

NOTE 16 OTHER CURRENT ASSETS

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Advances to Suppliers and Others	3.11	1.23
Balances with Government Authorities (other than Income Taxes)		
- VAT Credit Receivable	4.44	0.65
- GST Credit Receivable	11.11	2.33
	15.55	2.98
Prepaid expenses	8.08	6.76
Export incentive receivable	0.60	0.38
Other Advances	0.01	0.01
Total	27.35	11.36

Notes to the Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 17 EQUITY SHARE CAPITAL

(₹ in Crores)

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	Amount	No. of shares	Amount
Authorised:				
Equity shares of ₹ 10/- each	1,20,00,00,000	1,200.00	1,20,00,00,000	1,200.00
Issued, Subscribed and Fully Paid:				
Equity shares of ₹ 10/- each	16,66,45,705	166.65	16,66,42,855	166.64

(i) Rights, preferences and restrictions attached to equity shares

The Company has one class of equity share having a par value of ₹ 10/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting, except in case of interim dividend.

In the event of liquidation, the equity shareholders are eligible to receive the remaining asset of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(ii) Reconciliation of the number of shares outstanding at the beginning and at the end of the period.

(₹ in Crores)

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	Amount	No. of shares	Amount
Equity Shares Outstanding at the beginning of the year	16,66,42,855	166.64	16,65,73,855	166.57
Add: Allotment pursuant to exercise of stock options granted under Company's employee stock option plan (refer Note 39)	2,850	0.01	69,000	0.07
Equity Shares Outstanding at the end of the year	16,66,45,705	166.65	16,66,42,855	166.64

(iii) Details of shareholders holding more than 5% of the aggregate equity shares of the Company

(₹ in Crores)

Name of Shareholders	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	% Shareholding	No. of Shares	% Shareholding
Mr Hrishikesh Arvind Mafatlal (as a Trustee of Gurukripa Trust)	3,03,26,782	18.20%	3,03,26,782	18.20%
Mafatlal Industries Ltd.	2,52,59,059	15.16%	2,52,59,059	15.16%

Notes to the Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 17 EQUITY SHARE CAPITAL (Contd.)

(iv) Details of shareholding of promoters in the equity shares of the Company

(₹ in Crores)

Name of Promoter	As at March 31, 2024		As at March 31, 2023		% Change during the year
	No. of Shares	% Shareholding	No. of Shares	% Shareholding	
Mr. Hrishikesh Arvind Mafatlal (as a Trustee of Gurukripa Trust)	3,03,26,782	18.20%	3,03,26,782	18.20%	-
Mafatlal Industries Ltd.	2,52,59,059	15.16%	2,52,59,059	15.16%	-
Mr. Hrishikesh Arvind Mafatlal	7,91,468	0.47%	7,91,468	0.47%	-
Mr. Priyavrata Hrishikesh Mafatlal	12,495	0.01%	12,495	0.01%	-
Mrs. Rekha Hrishikesh Mafatlal	760	0.00%	760	0.00%	-
Sumil Trading Pvt. Ltd.	220	0.00%	220	0.00%	-
Mr. Hrishikesh Arvind Mafatlal (as a Trustee of Karuna Trust)	100	0.00%	100	0.00%	-
Mr. Hrishikesh Arvind Mafatlal (as a Trustee of Narsingha Trust)	100	0.00%	100	0.00%	-
Mr. Hrishikesh Arvind Mafatlal (as a Trustee of Shreeja Trust)	100	0.00%	100	0.00%	-
Mrs. Rekha Hrishikesh Mafatlal (as a Trustee of Radharaman Trust)	100	0.00%	100	0.00%	-

(v) Share options granted under Company's share option plan

Share options granted but not exercised under Company's share option plan carry no rights to dividend and no voting rights. Further details of the employee share option plan are provided in Note 39.

As at March 31, 2024, 13,63,675 equity shares (as at March 31, 2023, 13,66,525 equity shares) of ₹ 10 each were reserved for outstanding employee share option granted.

(vi) During the period of five years immediately preceeding the date as at which the Balance Sheet is prepared :

- No Class of Shares were allotted as fully paid up pursuant to contract without payment being received in cash.
- No Class of Shares were allotted as fully paid up by way of bonus shares for consideration other than cash.
- No Class of Shares were bought back by the Company.

(vii) There are no calls unpaid.

(viii) There are no forfeited shares.

Notes to the Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 18 OTHER EQUITY

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Capital Reserve	0.15	0.15
Securities Premium	29.09	29.04
General Reserve	48.65	48.65
Share options outstanding account	6.53	5.77
Retained Earnings	1,385.31	1,303.95
Equity Instrument through Other Comprehensive Income	56.97	(6.57)
Other Items of Other Comprehensive Income		
- Remeasurements of Defined Benefit Obligation	(8.40)	(7.37)
Total	1,518.30	1,373.62

Note: Refer Statement of Changes in Equity for movement in above elements of Other Equity.

Nature and purpose of each reserve within Other equity

Securities premium account:

Where Company issued shares at a premium, a sum equal to the aggregate amount of the premium received on those shares shall be transferred to a "securities premium" as per the provisions of applicable Companies Act. It can be utilised in accordance with the provisions of the Act, to issue bonus shares, to provide for premium on redemption of shares or debentures, write-off equity related expenses like underwriting costs, etc.

General reserve:

The general reserve comprises of transfer of profits from retained earnings for appropriation purposes. The reserve can be distributed / utilised by the Company in accordance with the Companies Act, 2013.

Share option outstanding account:

This reserve relates to share options granted by the Company to its employees under its employee share option plan. Further information about share based payments to employees is set out in Note 39.

Retained earnings:

Retained earnings represents the surplus / (deficit) of the statement of profit or loss. The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the financial statements of the Company and also considering the requirements of the Companies Act, 2013.

Details of dividends paid / proposed:

A dividend of ₹ 3/- per share has been paid on equity shares for year ended March 31, 2023, amounting to ₹ 49.99/- Crores during the current year.

A dividend of ₹ 3/- per share has been recommended on equity shares for year ended March 31, 2024. This equity dividend is subject to approval by shareholders at the Annual General Meeting and has not been included as a liability in these financial statements. The proposed equity dividend is payable to all holders of fully paid equity shares on record date.

Notes to the Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 18 OTHER EQUITY (Contd.)

Equity instrument through other comprehensive income:

This reserve represents the cumulative gains and losses arising on the fair valuation of equity instruments measured at fair value through other comprehensive income, net of amounts reclassified to retained earnings when those assets have been disposed off.

Items of Other Comprehensive Income - Remeasurements of Defined Benefit Obligation

Differences between the interest income on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised in other comprehensive income and are adjusted to retained earnings.

NOTE 19 NON CURRENT FINANCIAL LIABILITIES - LEASE LIABILITIES

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Financial Lease Liabilities	10.86	6.83
Total	10.86	6.83

NOTE 20 NON CURRENT PROVISIONS

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for employee benefits (Refer Note 40)		
- Gratuity	5.93	6.23
- Leave Encashment	8.15	8.93
- Others	0.44	0.45
Total	14.52	15.61

NOTE 21 CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Trade payables:		
(a) Payable to Micro and Small enterprises (Refer Note below)	2.67	1.74
(b) Payable to Others		
i) Acceptances	37.35	21.93
ii) Other than Acceptances	78.32	104.67
	115.67	126.60
Total	118.34	128.34

Notes to the Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 21 CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES (Contd.)

Trade Payables Ageing Schedule as at March 31, 2024

(₹ in Crores)

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	2.67	-	-	-	-	2.67
(ii) Others	108.29	7.37	-	-	0.01	115.67
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	110.96	7.37	-	-	0.01	118.34

Trade Payables Ageing Schedule as at March 31, 2023

(₹ in Crores)

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	1.74	-	-	-	-	1.74
(ii) Others	123.83	2.75	-	0.01	0.01	126.60
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	125.57	2.75	-	0.01	0.01	128.34

Note: Disclosures as required under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act)

The amounts due to Micro and Small Enterprises as defined in the 'The Micro, Small and Medium Enterprises Development Act, 2006' has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
a) The principal amount remaining unpaid to any supplier at the end of the year	2.67	1.74
b) Interest due remaining unpaid to any supplier at the end of the year	-	-
c) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act,2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
d) The amount of interest due and payable for the delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act,2006	-	-
e) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
f) The amount of further interest remaining due and payable even in the succeeding years until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act,2006	-	-

Notes to the Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 22 CURRENT FINANCIAL LIABILITIES - LEASE LIABILITIES

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Financial Lease Liabilities	2.27	2.96
Total	2.27	2.96

NOTE 23 CURRENT FINANCIAL LIABILITIES - OTHERS

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Financial liabilities (at amortised cost except otherwise stated):		
Security Deposits	6.78	6.13
Unclaimed dividends (Refer Note (a) below)	3.73	3.81
Payables for capital supplies	3.97	2.20
Salary, wages and bonus payable	9.45	9.70
Contribution payable towards employee benefits	2.59	2.31
Other payables	1.60	1.60
Mark to Market on outstanding forward contracts (at FVTPL)	0.16	-
Total	28.28	25.75

Note:

- (a) There are no amounts due for payment to the Investor Education and Protection Fund under section 125 of the Companies Act, 2013 at the end of the current and previous financial year.

NOTE 24 OTHER CURRENT LIABILITIES

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Advances received from customers	2.85	2.16
Statutory remittances	9.23	7.57
Other liabilities	0.03	0.02
Total	12.11	9.75

NOTE 25 CURRENT PROVISIONS

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for employee benefits (Refer Note 40)		
- Gratuity	0.21	0.22
- Leave Encashment	3.69	3.78
- Others	0.34	0.82
Total	4.24	4.82

Notes to the Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 26 REVENUE FROM OPERATIONS

(₹ in Crores)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Sale of goods (at contracted price)	1,437.31	1,610.77
Other operating revenues		
Sale of scrap	1.67	1.24
Profit on Sale of Raw Material	-	0.05
Duty drawback and other export incentives	3.45	2.13
Cash Discounts Received	0.24	0.20
Excess provision for earlier years written back	1.78	1.42
Miscellaneous income	0.22	0.76
Total	1,444.67	1,616.57

NOTE 27 OTHER INCOME

(₹ in Crores)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
a) Interest Income on		
- Bank deposits	1.67	2.11
- Non Convertible Debentures (NCDs)	13.88	1.58
- VAT Refund	0.40	0.09
- Other Deposits	0.33	0.29
	16.28	4.07
b) Dividend income from		
- Equity investments	1.52	1.73
	1.52	1.73
c) Other gains and losses		
- Net gain arising on short term financial investments mandatorily measured at FVTPL	0.63	0.08
- Net gain arising on Non Convertible Debentures measured through amortised cost using effective interest method	1.94	0.27
- Net foreign exchange gain	0.19	-
	2.76	0.35
d) Other non-operating income		
- Rent from investment property / Others	0.37	0.41
- Profit on Sale Of Property, Plant & Equipment sold/scrapped/written off (Net)	17.41	-
- Miscellaneous income	0.60	0.02
- Income from Redemption of Mutual Fund / Others	0.94	0.67
	19.32	1.10
Total	39.88	7.25

Notes to the Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 28 COST OF MATERIALS CONSUMED

(₹ in Crores)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening stock	120.07	191.19
Add: Purchases (Net)	748.65	837.60
	868.72	1,028.79
Less: Closing stock	85.71	120.07
Total	783.01	908.72

NOTE 29 CHANGES IN STOCK OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

(₹ in Crores)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Closing stock		
- Finished goods	90.10	121.99
- Work in progress	33.57	29.71
- Stock-in-trade	0.52	0.49
	124.19	152.19
Opening stock		
- Finished goods	121.99	106.54
- Work in progress	29.71	20.63
- Stock-in-trade	0.49	0.71
	152.19	127.88
Net Decrease /(Increase) in Inventories	28.00	(24.31)

NOTE 30 EMPLOYEE BENEFITS EXPENSE

(₹ in Crores)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries, wages and bonus	73.95	70.42
Contribution to provident and other funds (Refer Note 40)	5.57	5.08
Employee Share based payment (Refer Note 39)	0.78	1.38
Staff welfare expenses	8.27	7.33
Total	88.57	84.21

Notes to the Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 31 FINANCE COSTS

(₹ in Crores)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest cost - on financial liability		
a) Borrowings from banks	0.06	0.14
b) Lease Liability	0.95	0.67
c) Security deposits and others	0.61	0.38
Total	1.62	1.19

NOTE 32 DEPRECIATION AND AMORTISATION EXPENSE

(₹ in Crores)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation on Property, Plant and Equipment (Refer Note 3)	42.68	45.84
Depreciation on Right of Use Assets (Refer Note 3A)	8.21	7.89
Depreciation on Investment Properties (Refer Note 4)	0.02	0.02
Amortisation on Intangible Assets (Refer Note 5)	0.56	0.64
Total	51.47	54.39

NOTE 33 OTHER EXPENSES

(₹ in Crores)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Power & Fuel oil consumed	146.06	178.31
Processing charges	41.85	41.83
Selling and Distribution expenses	49.23	54.78
Consumption of packing materials	16.35	21.28
Stores and spares consumed	17.55	18.16
Rent (including lease rentals)	0.07	0.06
Repairs and maintenance:		
- Plant & machinery	17.30	17.89
- Buildings	4.53	3.13
Insurance charges	4.72	4.86
Rates and taxes	2.50	2.84
Auditors remuneration and out-of-pocket expenses (Refer Note (a))	0.49	0.37
Loss on Property, Plant & Equipment sold/scrapped/written off (Net)	-	0.14
Expenses on corporate social responsibility (Refer Note (b))	3.64	3.51
Net Foreign Exchange Loss	-	1.24
Provision for Doubtful Debts	-	0.76
Bad Debts written off	-	0.02
Sitting Fees and Commission Paid to Directors	2.48	2.27
Other General Expenses	43.97	44.26
Total	350.74	395.71

Notes to the Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 33 OTHER EXPENSES (Contd.)

Note (a)

	(₹ in Crores)	
Auditors remuneration and out-of-pocket expenses (net of GST):	For the year ended March 31, 2024	For the year ended March 31, 2023
(i) As Auditors	0.37	0.37
(ii) For other services - Certification work	0.12	-
(iii) Auditors out-of-pocket expenses*	0.00	0.00
Total	0.49	0.37

* Amount less than ₹ 0.01 Crores

Note (b)

Corporate Social Responsibility

The Company has spent ₹ 3.64 Crores during the financial year (Previous Year ₹ 3.51 Crores) towards various schemes of Corporate Social Responsibility as per the provisions of Section 135 of The Companies Act, 2013. The details are:

- (a) Gross amount required to be spent during the year ₹ 3.63 Crores (Previous Year ₹ 3.29 Crores)
- (b) Shortfall as at March 31, 2024 - Nil
- (c) Shortfall as at March 31, 2023 - Nil
- (d) Amount spent during the year in cash :

	(₹ in Crores)	
Nature of CSR Activities	For the year ended March 31, 2024	For the year ended March 31, 2023
i) On Construction / acquisition of any asset	-	-
ii) On Education, Health, Poverty alleviation, others	3.64	3.51
Total	3.64	3.51

- (e) Details of related party transactions (refer note 41)

	(₹ in Crores)	
Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
i) Sri Chaitanya Seva Trust	1.40	1.40
ii) N. M. Sadguru Water and Development Foundation	0.40	0.50
iii) BAIF Institute for Sustainable Livelihood and Development	-	0.15

Notes to the Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 34 CURRENT TAX AND DEFERRED TAX

(a) Income Tax Expense recognised in Statement of Profit and Loss

(₹ in Crores)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Current Tax:		
Current Income Tax Charge	38.65	48.27
Adjustments in respect of prior years	-	0.29
Total	38.65	48.56
Deferred Tax		
In respect of current year	7.14	3.46
Total	7.14	3.46
Total tax expense recognised in Statement of Profit and Loss	45.79	52.02

(b) Income Tax recognised in other Comprehensive Income

(₹ in Crores)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Deferred Tax (Liabilities)/Assets:		
Remeasurement of Defined Benefit Obligations	0.06	(0.09)
Net fair value (gain)/loss on investments in equity shares at FVTOCI	(6.97)	(0.49)
Total	(6.91)	(0.58)

(c) Reconciliation of income tax expense and the accounting profit multiplied by Company's domestic tax rate:

(₹ in Crores)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit before tax	177.14	200.70
Less: Income taxed at different tax rate	0.85	1.02
Profit before tax	176.29	199.68
Income Tax using the Company's domestic Tax rate #	44.59	50.25
Effect of expenses that are not deductible in determining taxable profit	(1.82)	(2.12)
Effect of income that is not taxable in determining taxable profit	-	-
Effect of expenditure eligible for weighted deduction / expenditure not debited to Profit and Loss but allowed as deduction	2.64	2.25
Effect of reversal of deferred tax liability (Net)	0.08	1.04
Effect of income taxed at different rate	0.30	0.31
Adjustments in respect of prior years	-	0.29
Income tax expense recognised in Statement of Profit and Loss	45.79	52.02

The tax rate used for the reconciliations above is the corporate tax rate plus surcharge (as applicable) on corporate tax, education cess and secondary and higher education cess on corporate tax, payable by corporate entities in India on taxable profits under Income Tax Act, 1961.

Notes to the Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 34 CURRENT TAX AND DEFERRED TAX (Contd.)

(d) Movement of Deferred Tax

Deferred tax (assets)/liabilities in relation to the Year Ended March 31, 2024

(₹ in Crores)

Particulars	Opening Balance	Recognised in statement of Profit and Loss	Recognised in OCI	Closing Balance
Property, Plant and Equipment, Investment properties and Intangible assets	111.99	6.66	-	118.65
Financial asset measured at FVTOCI	(1.44)	0.64	6.97	6.17
Defined benefit obligation	(4.83)	0.37	(0.06)	(4.52)
Provision for doubtful debts / advances	(0.81)	-	-	(0.81)
Other non financial assets	1.94	(0.52)	-	1.42
Net Tax (Assets)/Liabilities	106.85	7.15	6.91	120.91

Deferred tax (assets)/liabilities in relation to the Year Ended March 31, 2023

(₹ in Crores)

Particulars	Opening Balance	Recognised in statement of Profit and Loss	Recognised in OCI	Closing Balance
Property, Plant and Equipment, Investment properties and Intangible assets	108.42	3.57	-	111.99
Financial asset measured at FVTOCI	(1.93)	(0.00)	0.49	(1.44)
Defined benefit obligation	(5.00)	0.08	0.09	(4.83)
Provision for doubtful debts / advances	(0.81)	-	-	(0.81)
Other non financial assets	2.13	(0.19)	-	1.94
Net Tax (Assets)/Liabilities	102.81	3.46	0.58	106.85

* Amount less than ₹ 0.01 Crores

NOTE 35 EARNINGS PER SHARE

(a) Income Tax Expense recognised in Statement of Profit and Loss

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
1. Calculation of weighted average number of equity shares - Basic		
(a) Number of equity shares at the beginning of the year (in units)	16,66,42,855	16,65,73,855
(b) Number of equity shares issued during the year (in units)	2,850	69,000
(c) Number of equity shares outstanding at the end of the year (in units)	16,66,45,705	16,66,42,855
(d) Weighted number of equity shares outstanding during the year (in units)	16,66,45,394	16,66,24,005

Notes to the Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 35 EARNINGS PER SHARE (Contd.)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
2. Calculation of weighted average number of equity shares - Diluted		
(a) Number of potential equity shares at the beginning of the year (in units)	16,80,09,380	16,77,02,480
(b) Number of potential equity shares outstanding at the end of the year (in units)	16,80,09,380	16,80,09,380
(c) Weighted number of potential equity shares outstanding during the year (in units)	16,72,19,901	16,71,25,006
3. Profit for the year (₹ in Lacs)	131.35	148.68
(a) Basic Earnings per share of ₹ 10/- each (3/1(d))	7.88	8.92
(b) Diluted Earnings per share of ₹ 10/- each (3/2(c))	7.85	8.89

NOTE 36 LEASES

Operating lease arrangements

Company as lessee

The Company has entered into operating lease arrangements for certain premises (residential, offices, godowns etc.) and plant and machineries. These lease arrangements are ranging between 11 months to 60 months generally or longer and are renewable by mutual consent or mutually agreeable terms.

The specified disclosure in respect of these agreements is given below:

(₹ in Crores)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Charged to Statement of Profit and Loss	0.07	0.06
Future Minimum Lease rentals Payable under non-cancellable operating leases are as follows:		
Within one year	0.04	0.06
After one year but not more than five years	-	-
More than five years	-	-

Schedule of maturity analysis of lease liabilities

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Within one year	3.87	3.60
After one year but not more than five years	11.68	7.77
More than five years	-	-
Total	15.55	11.37

Company as lessor

The Company has given certain buildings on operating lease. The lease arrangements for 11 months to 60 months are cancellable and are generally renewable by mutual consent or mutually agreeable terms. The rental income of ₹ 0.26 Crores (Previous year ₹ 0.31 Crores) on such lease is included in Other Income - Rent from Investment Property / Others under Note 27(d).

Notes to the Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 37 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

(₹ in Crores)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
(a) Contingent liabilities :		
Claims against the Company not acknowledged as debts (including Direct and Indirect taxes)	29.74	41.17
(b) Commitments :		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	10.74	6.63

The Company did not have any long-term contracts including derivative contracts for which any provision was required for foreseeable losses.

NOTE 38 DETAILS OF EXPENDITURE AND INCOME ON INHOUSE APPROVED RESEARCH AND DEVELOPMENT (R & D) FACILITY

(₹ in Crores)

Particulars (as defined and bifurcated by the Management of the Company)	For the year ended March 31, 2024	For the year ended March 31, 2023
(i) Capital expenditure		
(a) Capital equipments	0.24	0.71
(ii) Revenue expenditure		
(a) Salaries / wages	5.38	4.45
(b) Travelling & Conveyance Expenses	0.23	0.21
(c) Repairs & Maintainance	0.50	0.43
(d) Communication Expenses	0.01	0.01
(e) Materials/Consumables	0.32	0.30
(f) Housekeeping	0.06	0.03
(g) Others	0.27	0.28
(h) Depreciation	0.42	0.42
Total revenue expenditure (a) to (h)	7.19	6.13
(iii) Total R & D expenditure (i+ii)	7.43	6.84
(iv) Amount received by R & D facilities	-	-
(v) Net amount of R & D expenditure	7.43	6.84

NOTE 39 SHARE BASED PAYMENTS

39.1 Details of the employee share option plan of the Company

The Company has constituted an Employee Stock Option Plan 2007 (as amended from time to time), as approved by shareholders at a previous annual general meeting. The scheme is applicable to all permanent and full-time employees, excluding the employees who are the promoters of the Company. The Nomination and Remuneration Committee, at its sole discretion, shall decide who among those employees shall receive Employee Stock Options in a particular grant.

Each employee share option converts into one equity share of the Company on exercise. No amounts are paid or payable by the recipient on receipt of the option. The options carry neither rights to dividends nor voting rights. These option vest 25% every year ('graded vesting'). The options granted can be exercised at any time until completion of ten years from

Notes to the Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 39 SHARE BASED PAYMENTS (Contd.)

the date of grant, subject to the vesting schedule. Any options remaining unexercised at the end of the exercise period shall lapse.

The number of options granted is calculated in accordance with the performance-based formula approved by the shareholders at a previous annual general meeting and is subject to approval by the nomination and remuneration committee.

The share-based payments to employees being equity-settled are measured at the fair value of the equity instruments at the grant date. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

Share options outstanding at the end of the year after forfeiture have the following expiry dates, exercise prices and fair value:

Grant series and grant year	Expiry Year	Exercise price ₹	Fair value ₹	March 31, 2024	March 31, 2023
				Number of options	Number of options
Grant 5 - 2015-16	2025-26	37.65	16.27	44,750	44,750
Grant 6 - 2016-17	2026-27	52.85	19.44	56,050	56,050
Grant 7 - 2016-17	2026-27	84.05	28.74	4,22,925	4,22,925
Grant 8 - 2017-18 *	2027-28	188.35	69.28	2,59,950	2,59,950
Grant 9 - 2018-19 *	2028-29	142.45	46.27	2,73,100	2,75,950
Grant 10-2022-23	2032-33	231.70	87.35	3,06,900	3,06,900
Total				13,63,675	13,66,525
Weighted average remaining contractual life of options outstanding at end of year				4.91	5.91

* 9,500 and 15,600 options from Grant 8 and Grant 9 respectively have been forfeited on account of resignation

Fair value of share options granted in the year:

The weighted average fair value of the share options granted during the financial year is ₹ Nil (Previous year ₹ 87.35). Options were priced using a Black-Scholes option pricing model which takes into account the exercise price, expected volatility, option's life, the share price at grant date, expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

(₹ in Crores)		
Inputs into the model	March 31, 2024	March 31, 2023
Grant date share price (₹)	Not Applicable	28-Apr-22
Exercise price (₹)		231.70
Expected volatility (%)		45%
Expected life of the options		10 Years
Expected dividend (%)		1.95%
Risk free interest rate (%)		6.69%
Expiry Year		28-Apr-32

Notes to the Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 39 SHARE BASED PAYMENTS (Contd.)

Basis of assumptions:

1. The risk free interest rates are determined based on the zero-coupon sovereign bond yields with maturity equal to the expected term of the option.
2. The expected volatility was determined based on the volatility of the equity share for the period of one year prior to issue of the option. Volatility calculation is based on historical stock prices using standard deviation of daily change in stock price. The historical period is taken into account to match the expected life of the option.
3. Dividend yield has been calculated taking into account expected rate of dividend on equity share price as on grant date.

Movement of Options Granted along with weighted average exercise price (WAEF)

(₹ in Crores)

Particulars	Year ended March 31, 2024		Year ended March 31, 2023	
	Number of options	Weighted average exercise price (₹)	Number of options	Weighted average exercise price (₹)
Balance at beginning of period not exercised	13,66,525	146.04	11,28,625	124.04
Granted during the period	-	-	3,06,900	231.70
Forfeited during the period	-	-	-	-
Exercised during the period	(2,850)	142.45	(69,000)	167.10
Balance at end of period	13,63,675	146.05	13,66,525	146.04
Exercisable at the end of the year	11,33,500		10,59,625	

The weighted average share price at the dates of exercise of options exercised during the year ended March 31, 2024 was ₹ 252.28 (year ended March 31, 2023 : ₹ 230.58).

NOTE 40 EMPLOYEE BENEFIT PLANS

1) Defined contribution plans :

The Company participates in a number of defined contribution plans on behalf of relevant personnel. Any expense recognised in relation to these schemes represents the value of contributions payable during the period by the Company at rates specified by the rules of those plans. The only amounts included in the balance sheet are those relating to the prior months contributions that were not due to be paid until after the end of the reporting period.

The major defined contribution plans operated by the Company are as below:

a) Provident fund and Pension

In accordance with the Employee's Provident Fund and Miscellaneous Provisions Act, 1952, eligible employees of the Company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary. The contributions, as specified under the law, are made to the provident fund administered and managed by Government of India. The Company has no further obligations under the fund managed by the Government of India beyond its monthly contributions which are charged to the Statement of Profit and Loss in the period they are incurred. The benefits are paid to employees on their retirement or resignation from the Company.

Notes to the Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 40 EMPLOYEE BENEFIT PLANS (Contd.)

b) Superannuation fund

The Company holds two in-house superannuation funds which appropriates funds to Life Insurance Corporation of India (the insurer) at the time of retirement/resignation of employee. The pension annuity is met by the Insurer as required, taking into consideration the contributions made. The Company has no further obligations under the scheme beyond its monthly contributions which are charged to the Statement of Profit and Loss in the period in which they are incurred.

Contribution to Defined Contribution Plans, recognised in the Statement of Profit and Loss for the year under employee benefits expense, are as under :

Particulars	(₹ in Crores)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
i) Employer's Contribution to Provident Fund and Pension	3.28	2.86
ii) Employer's Contribution to Superannuation Fund	0.57	0.66
Total	3.85	3.52

(2) Defined Benefit Plans:

a) Gratuity (Funded)

The Company has an obligation towards gratuity, a funded defined benefit retirement plan covering all employees. The plan provides for lump sum payment to vested employees at retirement, death while in employment or on termination of the employment of an amount equivalent to 15 days salary, as applicable, payable for each completed year of service subject to payment ceiling of ₹. 0.20 Crores. Vesting occurs upon completion of five years of service. The Company makes annual contributions to gratuity funds established by various in-house funds managed by NOCIL Employees Trust Funds as disclosed in related party transaction (Refer Note 41). The Company accounts for the liability for gratuity benefits payable in the future based on an actuarial valuation using Projected Unit Credit method determined in accordance with the terms of The Payment of Gratuity Act, 1972.

b) Gratuity (Unfunded)

The Company has an obligation towards gratuity, an unfunded defined benefit retirement plan covering eligible employees. The plan provides for lump sum payment to vested employees at retirement, death while in employment or on termination of the employment of an amount equivalent to 15 days salary, as applicable, payable for each completed year of service, without any payment ceiling. Vesting occurs upon completion of five years of service. The Company accounts for the liability for gratuity benefits payable in the future based on an actuarial valuation.

The most recent actuarial valuation of the present value of the defined benefit obligation was carried out at March 31, 2024 by an independent actuary. The present value of the defined benefit obligation, and the related current service cost and past service cost were measured using the projected unit credit method.

Notes to the Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 40 SHARE BASED PAYMENTS (Contd.)

A. Principal actuarial assumptions used:

The principal assumptions used for the purposes of the actuarial valuations were as follows.

(₹ in Crores)

Particulars	Gratuity	
	As at March 31, 2024	As at March 31, 2023
1. Discount rate	7.21%	7.47%
2. Salary escalation	6.00%	6.00%
3. Rate of Employee Turnover	6.00%	6.00%
4. Mortality rate	Indian Assured Lives Mortality Urban (2012-14)	Indian Assured Lives Mortality Urban (2012-14)

B. Expenses recognised in the Statement of Profit and Loss

(₹ in Crores)

Particulars	Gratuity	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Service cost:		
Current service cost	1.03	0.96
Net Interest cost	0.60	0.63
Components of defined benefit costs recognised in the Statement of Profit and Loss	1.63	1.59

The current service cost and the net interest expenses for the year are included in the 'Employee benefits expenses' line item in the Statement of Profit and Loss.

Net Interest Cost recognised in the Statement of Profit and Loss:

(₹ in Crores)

Particulars	Gratuity	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest Cost	1.85	1.85
(Interest Income)	(1.25)	(1.22)
Net interest cost recognised in the Statement of Profit and Loss	0.60	0.63

C. Expenses recognised in the Other Comprehensive Income (OCI)

(₹ in Crores)

Particulars	Gratuity	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Actuarial (Gains)/Losses on Obligation For the Period - Due to changes in financial assumptions	0.20	(0.25)
Actuarial (Gains)/Losses on Obligation For the Period - Due to experience adjustment	0.38	0.38
Actuarial (Gains)/Losses on Obligation For the Period - Due to demographic assumptions	-	-
Return on Plan Assets, excluding Interest Income	0.24	0.26
Net (Income)/Expense recognised in OCI	0.82	0.39

Notes to the Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 40 SHARE BASED PAYMENTS (Contd.)

D. Amount recognised in the Balance Sheet

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Present Value of Defined Benefit Obligation as at the end of the year	(21.64)	(24.75)
Fair Value of plan assets	13.74	16.76
Net Asset/(Liability) recognised in the Balance Sheet	(7.90)	(7.99)

E. Movements in the present value of defined benefit obligation are as follows:

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening defined benefit obligation	24.75	25.84
Current Service Cost	1.03	0.96
Interest cost	1.85	1.85
Actuarial (gains) / losses	0.58	0.13
Benefits Paid (From the Fund)	(5.56)	(2.66)
Benefit Paid (Directly by the Employer)	(1.01)	(1.37)
Closing defined benefit obligation	21.64	24.75

F. Movements in the fair value of the plan assets are as follows:

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening fair value of the plan assets	16.76	17.08
Contributions by the Employer	1.53	1.38
Return on Plan Assets, excluding Interest Income	(0.24)	(0.26)
Interest income	1.25	1.22
Benefits paid	(5.56)	(2.66)
Closing fair value of plan assets	13.74	16.76

G. Maturity profile of defined benefit obligation:

(₹ in Crores)

Projected Benefits Payable in Future Years From the Date of Reporting	Estimated for the year ended March 31, 2024	Estimated for the year ended March 31, 2023
1 st Following Year	6.02	7.37
2 nd Following Year	1.77	4.44
3 rd Following Year	4.25	2.44
4 th Following Year	1.49	3.71
5 th Following Year	2.50	1.96
Sum of Years 6 To 10	7.75	7.29
Sum of Years 11 and above	6.25	6.12

Notes to the Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 40 EMPLOYEE BENEFIT PLANS (Contd.)

H. Sensitivity Analysis

The Sensitivity Analysis below has been determined based on reasonably possible change of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant. These sensitivities show the hypothetical impact of a change in each of the listed assumptions in isolation. While each of these sensitivities holds all other assumptions constant, in practice such assumptions rarely change in isolation and the asset value changes may offset the impact to some extent. For presenting the sensitivities, the present value of the Defined Benefit Obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the Defined Benefit Obligation presented above. There was no change in the methods and assumptions used in the preparation of the Sensitivity Analysis from previous year.

(₹ in Crores)

Projected Benefits Payable in Future Years From the Date of Reporting	As at March 31, 2024	As at March 31, 2023
Projected Benefit Obligation on Current Assumptions		
Impact of +0.5% Change in Rate of Discounting	(0.38)	(0.37)
Impact of -0.5% Change in Rate of Discounting	0.40	0.39
Impact of +0.5% Change in Rate of Salary Increase	0.40	0.39
Impact of -0.5% Change in Rate of Salary Increase	(0.38)	(0.38)
Impact of +0.5% Change in Rate of Employee Turnover	0.02	0.02
Impact of -0.5% Change in Rate of Employee Turnover	(0.02)	(0.02)

I. Expected Contribution for the next year by the Company is ₹. 1.95 Crores (previous year - ₹ 1.75 Crores)

NOTE 41 RELATED PARTY DISCLOSURES

A. Details of related parties

Description of relationship	Name of the Related Party
Wholly Owned Subsidiary Company	PIL Chemicals Ltd. (PIL)
Key Management Personnel	
- Chairman	Mr. H. A. Mafatlal
- Managing Director	Mr. S R. Deo (till July 31, 2023) Mr. V.S. Anand (w.e.f August 1, 2023)
- Deputy Managing Director	Mr. V.S. Anand (till July 31, 2023)
Enterprises over which Key Management Personnel and close members of Key Management Personnel able to exercise significant influence	Mafatlal Industries Ltd. Vrata Tech Solutions Pvt. Ltd. Sri Chaitanya Seva Trust N. M. Sadguru Water and Development Foundation BAIF Institute for Sustainable Livelihood and Development NOCIL Employee Trust Funds

Notes to the Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 41 RELATED PARTY DISCLOSURES (Contd.)

B. Nature of Transactions/ Names of Related Parties

(₹ in Crores)

S. No.	Particulars	Year ended March 31, 2024	Year ended March 31, 2023
A.	Subsidiary Company		
	I PIL Chemicals Ltd.		
	1. Processing Charges	20.30	20.39
	2. Dividend Received	1.50	1.71
B.	Enterprises over which Key Management Personnel and close members of Key Management Personnel able to exercise significant influence*		
	I Mafatlal Industries Ltd.		
	1. Reimbursement of Expenses	0.11	0.10
	II Vrata Tech Pvt. Ltd.		
	1. IT Services	1.38	0.99
	2. Purchase of Property, Plant & Equipment	0.68	-
	III Sri Chaitanya Seva Trust		
	1. Expenditure on CSR Activities	1.40	1.40
	IV N. M. Sadguru Water and Development Foundation		
	1. Expenditure on CSR Activities	0.40	0.50
	V BAIF Institute for Sustainable Livelihood and Development		
	1. Expenditure on CSR Activities	-	0.15
	VI NOCIL Employee Trust Funds		
	1. Contributions paid to funds	3.14	1.98
	2. Post Employment Benefits paid on behalf of Trust	11.64	3.91
C.	Key Management Personnel #		
	1 Short-term employee benefits	8.86	9.40
	2 Post-employment benefits	0.71	1.00
	3 Share-based payment	0.21	0.43

* The transactions with related parties are made in the normal course of business and on terms equivalent to those that prevail in arm's length transactions. All the Related Party Transactions are reviewed and approved by the Audit Committee.

Based on the recommendation of the Nomination, Remuneration and Compensation Committee, all decisions relating to the remuneration of the Directors are taken by the Board of Directors of the Company, in accordance with shareholders' approval, wherever necessary.

Notes to the Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 41 RELATED PARTY DISCLOSURES (Contd.)

C. Amounts outstanding with related parties

(₹ in Crores)

S. No.	Particulars	As at March 31, 2024	As at March 31, 2023
A.	Subsidiary Company		
I	PIL Chemicals Ltd.		
1	Trade Payable	1.29	1.99
B.	Enterprises over which Key Management Personnel and close members of Key Management Personnel able to exercise significant influence		
I	Mafatlal Industries Ltd.		
1	Trade Payable	0.01	0.01
II	Vrata Tech Pvt. Ltd.		
1	Trade Payable	0.01	0.05
2	Advance Given	0.04	-
II	NOCIL Employee Trust Funds		
1	Contributions Payable to Funds	2.59	2.31
C.	Key Management Personnel	3.46	4.58

Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. No guarantees have been given or received.

NOTE 42 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

42.1 Capital management

The capital structure of the Company consists of net debt and total equity of the Company. The Company manages its capital to ensure that the Company will be able to continue as going concern while maximising the return to stakeholders through an optimum mix of debt and equity within the overall capital structure. The Company's risk management committee reviews the capital structure of the Company considering the cost of capital and the risks associated with each class of capital.

42.2 Categories of financial instruments

The following table provides categorisation of all financial instruments at carrying value.

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Financial assets		
Measured at FVTPL		
(a) Mutual Fund Investments	35.62	20.07
(b) Other financial assets (including Derivate Financial Instruments)	-	-

Notes to the Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 42 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Contd.)

Particulars	As at March 31, 2024	As at March 31, 2023
Measured at amortised cost		
(a) Cash and cash equivalent	90.29	21.28
(b) Bank balance other than (a) above	3.74	33.83
(c) Trade receivables	340.18	345.98
(d) Loans		
(d) Other financial assets (including Security Deposits)	18.23	14.21
(e) Inter Corporate Deposits/ Fixed Deposit	-	-
(e) Investments in equity instruments	0.01	0.01
(f) Investments in Wholly Owned Subsidiary	25.04	25.04
Measured at amortised cost through effective interest method		
(a) Investments in Non Convertible Debentures	234.19	144.13
Measured at FVTOCI		
(a) Investments in equity instruments	112.23	41.72
Total Financial Assets	859.53	646.27
Financial liabilities		
Measured at FVTPL		
(a) Other financial liabilities	0.16	-
Measured at amortised cost		
(a) Trade payables	118.34	128.34
(b) Financial Lease Liabilities	13.13	9.79
(c) Other financial liabilities	28.12	25.75
Total Financial Liabilities	159.75	163.88

42.3 Financial risk management objectives

The Company's Corporate Treasury function provides services to the business, co-ordinates access to domestic financial markets, monitors and manages the financial risks relating to the operations of the Company through internal risk assessment and analyses forex exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Company seeks to minimise the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives is governed by the Company's - Risk Management Policy approved by the board of directors, which provide written principles on foreign exchange risk, interest rate risk, the use of financial derivatives and non-derivative financial instruments. Compliance with policies and exposure limits is reviewed on a continuous basis. The Company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

Notes to the Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 42 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Contd.)

42.4 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of Currency risk, Interest rate risk and other price risk. The Company enters into a board approved list of derivative financial instruments to manage its exposure to foreign currency risk, including but not limited to foreign currency forwards and currency options.

42.5 Foreign currency risk management

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arises. Exchange rate exposures are managed within approved policy parameters utilising appropriate derivative instruments.

The carrying amounts of the Company's foreign currency denominated financial assets and financial liabilities at the end of the reporting period are as follows:

(₹ in Crores)		
Particulars	As at March 31, 2024	As at March 31, 2023
A. USD Currency:		
Financial Liabilities		
In USD million	4.60	2.87
Equivalent in ₹ Crores	38.40	23.53
Financial Assets		
In USD million	11.27	11.72
Equivalent in ₹ Crores	93.95	96.11
B. Euro Currency:		
Financial Liabilities		
In Euro million	-	0.001
Equivalent in ₹ Crores	-	0.01
Financial Assets		
In Euro million	0.42	0.48
Equivalent in ₹ Crores	3.74	4.31

42.5.1 Foreign currency sensitivity analysis in relation to the net foreign exchange exposure as at the balance sheet date

The Company is mainly exposed to the foreign exchange fluctuation in USD.

The following table details the Company's sensitivity to a 5% increase and decrease in the Indian Rupee against USD 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. This is mainly attributable to the exposure outstanding on receivables and payables in the Crores at the end of the reporting period. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. A positive number below indicates an increase in the profit or equity where the Indian Rupee weakens 5% against the relevant currency due to positive net Financial Assets at the end of the current period. For a 5% strengthening of the Rupee against the relevant currency, there would be a comparable reverse impact on the profit or equity.

Notes to the Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 42 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Contd.)

(₹ in Crores)

Particulars	USD Currency Impact	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Impact on Statement of Profit and Loss for the year		
5% strengthening against US Dollar	(2.78)	(3.63)
5% weakening against US Dollar	2.78	3.63

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

42.5.2 Derivative Financial Instruments

The Company has entered into foreign currency options and forward contracts to manage its exposure to fluctuations in foreign exchange rates on foreign currency receivables and payables. Fair value of derivative financial instruments are determined using valuation techniques based on information derived from observable market data.

(₹ in Crores)

Financial assets/ (Financial liabilities)	Particulars	As at March 31, 2024	As at March 31, 2023
Derivative Assets / (Liabilities) measured at FVTPL:			
(i) Forward contracts	Notional value (USD million) - Sell position	6.73	-
	No. of Contracts	33	-
	Fair value (₹ Crores)	(0.16)	-

Fair Value Hierarchy	Level 2
Valuation technique(s)	Discounted Cash Flow
Key input	Future cash flows are estimated based on forward exchange rates (from observable forward exchange rates at the end of the reporting period) and contract forward rates, discounted at a rate that reflects the credit risk of various counter parties.

42.6 Interest rate risk management

The Company does not have interest rate risk exposure as there are no outstanding loans as at the year end.

42.7 Other price risks

The Company is exposed to price risks arising from mutual funds and equity investments other than investments in subsidiary. Equity price risk is related to change in market reference price of investments in equity securities held by the Company. The fair value of quoted investments held by the Company exposes the Company to equity price risks. In general, these investments are not held for trading purposes. The Company manages the surplus funds majorly through combination of investments in debt based /arbitrage / equity oriented mutual fund schemes, non convertible debentures and fixed deposits. The price of investment in these mutual funds is the Net Asset Value (NAV) declared by the Asset Management Company on daily basis as reflected by the movement in the NAV of invested schemes. The Company is exposed to price risk on such Investment schemes.

Notes to the Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 42 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Contd.)

Mutual fund investments are susceptible to market price risk, mainly arising from changes in the interest rates or market yields which may impact the return and value of such investments. However, due to the very short tenor of the underlying portfolio in the liquid schemes, these do not hold any significant price risks.

42.7.1 Equity price sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to equity price risks at the end of the reporting period.

If investment in equity prices had been 5% higher / lower, the other comprehensive income for the year ended March 31, 2024 would increase/decrease by ₹ 5.61 Crores (Previous year: increase/decrease by ₹ 2.09 Crores) as a result of the changes in fair value of equity investments measured at FVTOCI.

42.7.2 Mutual fund price sensitivity analysis

The sensitivity analysis below have been determined based on Mutual Fund Investment at the end of the reporting period. If NAV has been 1% higher / lower, the profit for year ended March 31, 2024 would increase / decrease by ₹ 0.36 Crores (Previous year: increase / decrease by ₹ 0.20 Crores) as a result of the changes in fair value of mutual funds.

42.8 Credit risk management

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses financial reliability of customers and other counter parties, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of financial assets. Individual risk limits are set and periodically reviewed on the basis of such information. For trade and other receivables, credit evaluation is performed on the financial condition of accounts receivable using independent ratings where available or by assessment of the customer's credit quality based on its financial position, past experience and other factors. The maximum exposure to credit risk in respect of the above at the reporting date is the carrying value of financial assets recorded in the financial statements, net of any allowance for losses. Based on the historical data, loss on collection of receivable is not material, hence no additional provision considered. Trade receivables consist of a large number of customers, spread across the country comprising primarily dealers and manufacturers.

Trade receivables consist of a large number of customers, spread across the world comprising primarily manufacturers and dealers. The average credit period on sales of goods is 60 days. The Company's trade and other receivables consists of a large number of customers, hence the Company is not exposed to concentration risk.

Refer note 12 for ageing analysis of trade receivables.

42.9 Liquidity risk management

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as and when required. The Treasury Risk Management Policy includes an appropriate liquidity risk management framework for the management of the short-term, medium-term and long term funding and cash management requirements. The Company manages the liquidity risk by maintaining adequate cash reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities. The Company invests its surplus funds mainly in bank fixed deposits, non convertible funds and mutual funds which carry no / negligible mark to market risks.

42.9.1 Liquidity risk table

The following table details the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include principal cash flows along with interest. The contractual maturity is based on the earliest date on which the Company may be required to pay.

Notes to the Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 42 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Contd.)

(₹ in Crores)

Particulars	Upto 1 year	1-5 years	5+years
March 31, 2024			
Trade Payables (including MSME payables)	118.33	0.01	-
Other Financial Liabilities	28.12	-	-
Total	146.45	0.01	-
March 31, 2023			
Trade Payables (including MSME payables)	128.32	0.02	-
Other Financial Liabilities	25.75	-	-
Total	154.07	0.02	-

NOTE 43 FAIR VALUE MEASUREMENTS

This note provides information about how the Company determines fair values of various financial assets and financial liabilities.

43.1 Fair value of the Company's financial assets and financial liabilities that are measured at fair value on a recurring basis

Some of the Company's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used).

(₹ in Crores)

Financial assets/ (Financial liabilities)	As at March 31, 2024	As at March 31, 2023	Fair value hierarchy	Valuation technique(s) and key input(s)
a) At FVTPL:				
(a) Investments in Mutual funds	35.62	20.07	Level 2	Fair value of investments in Mutual Funds is based on Net asset value (NAV) declared by mutual fund houses at the reporting date.
(b) Other financial assets (including Derivate Financial Instruments)	-	-	Level 2	MTM of derivative instrument is provided by the bankers as at the reporting date
(c) Other financial liabilities	0.16	-	Level 2	MTM of derivative instrument is provided by the bankers as at the reporting date
b) At FVTOCI:				
Investments in equity instruments(quoted) (see note below)	112.23	41.72	Level 1	Quoted bid prices in an active market

Note: These investments in equity instruments are not held for trading. Instead, they are held for medium or long-term strategic purpose. Upon the application of Ind AS 109, the Company has chosen to designate these investments in equity instruments as at FVTOCI as the Management believe that this provides a more meaningful presentation for medium or long-term strategic investments, than reflecting changes in fair value immediately in the Statement of Profit and Loss.

There were no transfers between Level 1 and 2 in the period.

Notes to the Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 43 FAIR VALUE MEASUREMENTS (Contd.)

43.2 Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

Except as detailed in the following table, the Company considers that the carrying amounts of financial instruments recognised in the financial statements approximate their fair values.

(₹ in Crores)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets held at amortised cost:				
Cash and cash equivalent	90.29	90.29	21.28	21.28
Other Bank balance	3.74	3.74	33.83	33.83
Trade receivables	340.18	340.18	345.98	345.98
Other financial assets	18.23	18.23	14.21	14.21
Investments in equity instruments	0.01	0.01	0.01	0.01
Investments in Wholly Owned Subsidiary	25.04	25.04	25.04	25.04
Financial assets held at amortised cost through effective interest method:				
Investments in Non Convertible Debentures	234.19	234.19	144.13	144.13
Financial liabilities held at amortised cost:				
Trade Payables	118.34	118.34	128.34	128.34
Financial Lease Liability	13.13	13.13	9.79	9.79
Other financial liabilities	28.12	28.12	25.75	25.75

NOTE 44 DISCLOSURE AS PER SECTION 186 OF THE COMPANIES ACT, 2013

The details of loans, guarantees and investments under Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 are as follows:

- Details of Investments made by the Company are given in Note 6, 7 and 11 in the standalone financial statement.
- There are no loans, securities and guarantees given / provided during the year.

Notes to the Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 45 RATIO ANALYSIS

Sr. No.	Ratio	Numerator	Denominator	Current year ratio	Previous year ratio	Variance	% Change	Reason for Variance > 25%
1.	Current Ratio	Current Assets	Current Liabilities	5.83	5.05	0.78	15%	
2.	Debt - Equity ratio	Total Debt	Shareholder's Equity	NA				
3.	Debt Service coverage ratio	Earnings available for debt service (Note a)	Interest + debts as on balance sheet date	NA				
4.	Return on Equity Ratio	Profit after tax	Average Shareholder's Equity (Note b)	8%	10%	-2%	-19%	
5.	Inventory Turnover Ratio	Cost of goods sold	Average inventory (Note c)	4.78	4.28	0.50	12%	
6.	Trade Receivable Turnover Ratio	Net Credit Sales	Average Trade Receivables (Note d)	4.19	4.05	0.14	4%	
7.	Trade Payable Turnover Ratio	Net Credit Purchases of materials	Average Trade payables (Note e)	7.56	6.12	1.45	24%	
8.	Net Capital Turnover Ratio	Net Sales	Working Capital (Note f)	1.80	2.32	-0.52	-22%	
9.	Net Profit ratio	Profit after tax	Operating Revenue	9%	9%	0%	-1%	
10.	Return on Capital Employed	Earning before Interest and tax	Average Capital Employed (Note g)	10%	13%	-2%	-18%	
11.	Return on Investment	Income on investment	Average Invested Funds	29%	10%	20%	208%	FVTOCI and deployment of Surplus Funds in Short Term Investments yielding returns

Note :

- Earnings available for debt service : Net Profit after Tax + Depreciation + Interest Cost + Loss on Sale of Property, Plant and Equipments
- Average Shareholders Equity : (Opening Shareholders Equity + Closing Shareholders Equity)/ 2
- Average Inventory : (Opening Inventory + Closing Inventory)/ 2
- Average Trade Receivables : (Opening Trade Receivables + Closing Trade Receivables)/ 2
- Average Trade Payables : (Opening Trade Payables + Closing Trade Payables)/ 2
- Working Capital : Current Assets - Current Liabilities
- Average Capital Employed : {Opening (Networth + Borrowings + Deferred Tax Liabilities)+Closing (Networth + Borrowings + Deferred Tax Liabilities)}/2

Notes to the Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 46 SUBSEQUENT EVENTS

There are no significant subsequent events that would require adjustments or disclosures in the financial statement between the Balance Sheet date and the date of signing of accounts.

NOTE 47

The Company is primarily engaged in the business of manufacture of rubber chemicals which in the context of Indian Accounting Standard (Ind AS) 108 on Operating Segments constitutes a single reportable segment. The relevant information regarding secondary segment reporting (by geographical segment) is presented in the consolidated financial statements as required as per Ind AS 108 "Operating Segments".

NOTE 48

The Company has complied with number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of layers) Rules, 2017 as at March 31, 2024.

NOTE 49

The Company has not advanced any funds or loaned or invested by the Company to or in any other person(s) or entities, including foreign entities ("Intermediaries"), with the understanding that the intermediary shall whether directly or indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the Company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of ultimate beneficiaries.

The Company has not received any funds from any person(s) or entities including foreign entities ("Funding Parties") with the understanding that such Company shall whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or provide guarantee, security or the like on behalf of the Ultimate beneficiaries.

NOTE 50

The Company has not granted Loans or Advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person during the year.

NOTE 51

The Company had borrowings from banks on the basis of security of current assets during the current year and previous year to whom quarterly statements of current assets were filed by the Company, which are in agreement with the books of accounts.

The Company had no borrowings from financial institutions during the current year and previous year.

NOTE 52

The Company has earned profits in the current financial year, the current assets are more than the current liabilities and there are accumulated profits as on the balance sheet date. Hence, the financial statements have been prepared on going concern basis.

Notes to the Standalone Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 53 NO TRANSACTIONS TO REPORT AGAINST THE FOLLOWING DISCLOSURE REQUIREMENTS AS NOTIFIED BY MCA PURSUANT TO AMENDED SCHEDULE III

- (a) As on March 31, 2024, the Company has not been declared wilful defaulter by any bank or financial institution or other lender.
- (b) The Company is not engaged in the business of trading or investing in crypto currency or virtual currency.
- (c) The Company does not have any charges or satisfaction yet to be registered with the Registrar of Companies (ROC) beyond the statutory period as at March 31, 2024.
- (d) No proceedings have been initiated or are pending against the Company as on March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (e) The Company does not have any transaction with companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956.

In terms of our report attached.

For Kalyaniwalla & Mistry LLP

Chartered Accountants

Firm Reg. No. 104607W/W100166

Daraius Z. Fraser

Partner

Membership No.: 42454

Place: Mumbai

Date: May 29, 2024

For and on behalf of the Board of Directors

Hrishikesh A. Mafatlal

Chairman

DIN: 00009872

P. Srinivasan

Chief Financial Officer

D N Mungale

Director & Chairman Audit Committee

DIN: 00007563

Amit Vyas

Company Secretary

Anand V.S.

Managing Director

DIN: 07918665

Independent Auditor's Report

To the Members of
Nocil Limited

Report on the Audit of the Consolidated Ind-AS Financial Statements

Opinion

We have audited the accompanying Consolidated Ind-AS Financial Statements of **NOCIL LIMITED** (hereinafter referred to as the "Holding Company") and its subsidiary (Holding Company and its subsidiary together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2024, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity, the Consolidated Cash Flows Statement for the year then ended, and the Notes to the Consolidated Ind-AS Financial Statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind-AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of report of the other auditor referred to in the Other Matter paragraph below, the aforesaid consolidated Ind-AS financial statements give the information required by the Companies Act, 2013 ("the Act"), in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind-AS") and with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at March 31, 2024, of the consolidated profit, consolidated changes

in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Ind-AS Financial Statements* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated Ind-AS financial statements in India in terms of the Code of Ethics issued by Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained, along with the consideration of audit report of the other auditor referred to in the *Other Matter* paragraph below, is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. no.	Key audit matter description	How the scope of our audit addressed the key audit matter
1	Revenue recognition and measurement Refer to Note 2 (Accounting policies) for revenue recognition and measurement, Note 25 of the Consolidated Ind-AS Financial Statements for aggregate revenue from sale of products recognised as required by the applicable Ind AS. For the year ended March 31, 2024, the Company's recognised revenues aggregating to ₹ 1,437.31 Crores.	Our procedures included: Accounting policies: Assessing the Holding Company's revenue recognition policies, by comparing with the applicable Ind AS. Tests of controls: Understanding and evaluating the design and implementation of controls and testing the operating effectiveness of key controls over revenue recognition at the year end, the accuracy of pricing master and discounts, rebates.

Independent Auditor's Report (Contd.)

Sr. no.	Key audit matter description	How the scope of our audit addressed the key audit matter
	<p>Risk identified:</p> <p>Revenue from sale of goods is one of the key profit drivers and is therefore susceptible to misstatement. Revenue is measured based on transaction price, which is consideration, after deduction of discounts. Due to the Company's sales under various contractual terms and across locations, delivery to customers in different regions might take different time periods and may result in undelivered goods at the period end. We consider there to be a risk of misstatement of the financial statements related to transactions occurring close to the year end, as transactions could be recorded in the incorrect financial period (cut-off risk).</p> <p>Accordingly, revenue recognition is a key audit matter.</p>	<p>Our procedures included:</p> <p>Accounting policies: Assessing the Holding Company's revenue recognition policies, by comparing with the applicable Ind AS.</p> <p>Tests of controls: Understanding and evaluating the design and implementation of controls and testing the operating effectiveness of key controls over revenue recognition, the approval of pricing master and discounts, rebates, etc.</p> <p>Tests of details:</p> <ul style="list-style-type: none"> - Verified the supporting documentation for determining that the revenue was recognised in the correct accounting period (cut-off testing). - Verifying the manual journals posted to revenue to identify unusual or irregular items. - To assess the recoverability of trade receivables, our procedures included an assessment of whether the provision against, or write off, impacted our view as to the initial recognition of the related revenue. <p>We also assessed whether the disclosures in respect of revenue were adequate.</p>
2.	<p>System environment and internal controls</p> <p>Risk identified:</p> <p>The Information Technology and business process controls implemented might not be designed, implemented or operating in a manner conducive to the effective processing and reporting of financial information.</p> <p>The system environment introduces risks related to system access, change management, and we have accordingly designated this as a focus area in the audit.</p> <p>The risk of end user devices which are used to store or process the Company's information may not be encrypted to prevent breach of the Company's information.</p> <p>The risk of access to Operating system and SAP codes are given to unauthorized persons.</p>	<p>Our procedures included:</p> <p>Tests conducted:</p> <p>Our response to the risks related to the system environment includes both the test of IT and business process controls. We also performed sufficient tests of details as part of our audit.</p> <p>We tested the Holding Company's controls around access and change management related to key IT systems through our Information Technology specialist.</p>

Independent Auditor's Report (Contd.)

Information Other than the Consolidated Ind-AS Financial Statements and the Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the Director's Report and Report on Corporate Governance but does not include the consolidated Ind-AS financial statements and our auditor's report thereon.

Our opinion on the consolidated Ind-AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated Ind-AS financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated Ind-AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Ind-AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind-AS financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy

and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind-AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind-AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind-AS financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group is responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Ind-AS Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated Ind-AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is

Independent Auditor's Report (Contd.)

higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind-AS financial statements, including the disclosures, and whether the consolidated Ind-AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated Ind-AS financial statements. We are responsible for the direction, supervision and performance of the audit of the Ind-AS financial statements of such entities included

in the consolidated Ind-AS financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind-AS financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind-AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Independent Auditor's Report (Contd.)

Other Matters

- (a) We did not audit the financial statements of a subsidiary, whose financial statements reflect total assets (before consolidation adjustments) of ₹ 45.42 Crores as at March 31, 2024, total revenues (before consolidation adjustments) of ₹ 21.36 Crores and net cash outflow amounting to ₹ 0.78 Crores for the year ended on that date, as considered in the consolidated Ind-AS financial statements. This financial statements have been audited by other auditor whose reports have been furnished to us by the Management and our opinion on the consolidated Ind-AS financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditors.

Our opinion on the consolidated Ind-AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditor.

Report on Other Legal and Regulatory Requirements

- 1) As required by section 143(3) of the Act, we report, to the extent applicable, and on the consideration of the report of the other auditor as noted in the Other Matter paragraph above that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind-AS financial statements.
- b) In our opinion, proper books of account as required by law relating to the preparation of the aforesaid consolidated Ind-AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors, except for the matter stated in paragraph 1(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind-AS financial statements.
- d) In our opinion, the aforesaid consolidated Ind-AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder.
- e) On the basis of the written representations received from the Directors of the Holding Company as on March 31, 2024, and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditor of its subsidiary company, none of the Directors of the Group companies, is disqualified as on March 31, 2024, from being appointed as a Director in terms of section 164 (2) of the Act.
- f) The observation relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph (b) above on reporting under Section 143(3)(b) and paragraph h(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- g) With respect to the adequacy of internal financial controls with reference to financial statements of the Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, ("the Rules"), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor, as noted in the Other Matter paragraph above:

Independent Auditor's Report (Contd.)

- i) The consolidated Ind-AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, – Refer Note-36 to the consolidated Ind-AS financial statements.
- ii) Provision has been made in the consolidated Ind-AS financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note-42.5.2 to the consolidated Ind-AS financial statements.
- iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary.
- iv) The respective Management of the Holding Company and its subsidiary entity whose financial statements have been audited under the Act have represented to us and the other auditor of such subsidiary that:
 - a) to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or the subsidiary to or in any other person(s) or entity(ies), including foreign entity(ies) ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or the subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) to the best of their knowledge and belief, no funds have been received by the Holding Company or the subsidiary from any person(s) or entity(ies), including

foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or the subsidiary, shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

Based on such audit procedures performed by us that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11 (e) of the Rules as provided under (a) and (b) above contain any material misstatement.

- v) As per information and explanation represented by Management and based on the records of the Holding Company and based on the consideration of the report of the other auditor, as noted in the Other Matter paragraph above, the dividend proposed in the previous year, declared and paid by the Holding Company, and the subsidiary company during the year is in accordance with Section 123 of the Act, as applicable.

The interim dividend declared and paid by the subsidiary company until the date of this report are in compliance with Section 123 of the Act.

- vi) Based on our examination which included test checks and that performed by the auditors of the subsidiary company which is incorporated in India whose financial statements have been audited under the Act, the company and the subsidiary have used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the

Independent Auditor's Report (Contd.)

software, except that in case of Holding Company, no audit trail was enabled at the database level for accounting software SAP (database MS SQL) to log any direct data changes. Further, during the course of our audit, we and respective auditor of the above referred subsidiary company did not come across any instance of audit trail feature being tampered with, in respect of accounting software for the period for which the audit trail feature was enabled and operating.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014, is applicable from April 1, 2023, reporting under Rule 11 (g) of the Rules on preservation of audit trail as per the statutory requirements for record retention is not applicable for the year ended March 31, 2024.

- 2) With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order" / "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in this Consolidated Auditor's Report, our audit report of the Holding Company / other auditor report of subsidiary company, we report that there are no qualifications or adverse remarks in these CARO reports.
- 3) In our opinion and according to information and explanations given to us and based on the consideration of the report of the other auditor, as noted in the Other Matter paragraph above, where applicable, managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act.

For KALYANIWALLA & MISTRY LLP

Chartered Accountants

Firm Regn. No.: 104607W / W100166

Daraius Z. Fraser

PARTNER

M. No.: 42454

UDIN: 24042454BKBKDF8903

Mumbai: May 29, 2024.

Annexure A to the Independent Auditor's Report

Referred to in Para (g) 'Report on Other Legal and Regulatory Requirements' in our Independent Auditor's Report to the members of the Holding Company on the consolidated Ind-AS financial statements for the year ended March 31, 2024.

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

We have audited the internal financial controls with reference to financial statements of **NOCIL Limited** (hereinafter referred to as "the Holding Company"), and its subsidiary company (Holding Company and its subsidiary together referred to as "the Group"), as of March 31, 2024, in conjunction with our audit of the consolidated Ind-AS financial statements of the Group for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Group based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable

to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by other auditor of the subsidiary company in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Group's internal financial controls system with reference to consolidated Ind-AS financial statements.

Meaning of Internal Financial Controls with reference to Financial Statements

A Company's internal financial control with reference to consolidated Ind-AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated Ind-AS financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to consolidated Ind-AS financial statements includes those policies and procedures that:

- 1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Group;

Annexure A to the Independent Auditor's Report (Contd.)

- 2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Group are being made only in accordance with authorisations of management and directors of the Group; and
- 3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Group's assets that could have a material effect on the consolidated Ind-AS financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of

changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company and its Subsidiary Company, have, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the internal control with reference to financial statements criteria established by the Holding Company and its Subsidiary Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements in so far as it relates to the subsidiary company is based on the corresponding report of the auditor of such company.

Our opinion is not modified in respect of the above matter.

For KALYANIWALLA & MISTRY LLP
Chartered Accountants
 Firm Regn. No.: 104607W / W100166

Daraius Z. Fraser
PARTNER
 M. No.: 42454
 UDIN: 24042454BKBKDF8903
 Mumbai: May 29, 2024.

Consolidated Balance Sheet

As at March 31, 2024

(₹ in Crores)

Particulars	Note	As at March 31, 2024	As at March 31, 2023
ASSETS			
Non-Current Assets			
(a) Property, Plant and Equipment	3	636.26	653.37
(b) Right of Use Assets	3A	229.51	230.88
(c) Capital Work-in-Progress	3	16.18	8.57
(d) Investment Property	4	0.42	0.44
(e) Intangible Assets	5	3.63	3.20
(f) Financial Assets			
(i) Other Investments	6	118.64	42.05
(ii) Other Financial Assets	7	9.83	9.61
(g) Non-Current Tax Assets (Net)		17.28	16.96
(h) Other Non-Current Assets	8	7.55	10.73
Total Non-Current Assets		1,039.30	975.81
Current Assets			
(a) Inventories	9	222.79	284.89
(b) Financial Assets			
(i) Investments	10	280.77	176.32
(ii) Trade Receivables	11	340.18	345.98
(iii) Cash and Cash Equivalent	12	91.80	23.57
(iv) Bank Balances other than (iii) above	13	3.74	33.83
(v) Other Financial Assets	14	9.15	5.13
(c) Other Current Assets	15	27.50	11.56
Total Current Assets		975.93	881.28
Total Assets		2,015.23	1,857.09
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	16	166.65	166.64
(b) Other Equity	17	1,531.93	1,385.49
Total Equity		1,698.58	1,552.13
Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Lease Liabilities	18	10.86	6.83
(b) Provisions	19	15.18	16.22
(c) Deferred Tax Liabilities (Net)	33	124.93	110.85
Total Non-Current Liabilities		150.97	133.90
Current Liabilities			
(a) Financial Liabilities			
(i) Lease Liabilities	21	2.27	2.96
(ii) Trade Payables			
(a) Total outstanding dues of micro and small enterprises	20	2.78	1.76
(b) Total outstanding dues to creditors other than micro and small enterprises	20	115.28	125.51
(iii) Other Financial Liabilities	22	28.35	25.75
(b) Other Current Liabilities	23	12.60	10.16
(c) Provisions	24	4.40	4.92
Total Current Liabilities		165.68	171.06
Total Equity and Liabilities		2,015.23	1,857.09

Material accounting policies

2

The accompanying notes form an integral part of the Consolidated Financial Statements

In terms of our report attached.

For Kalyaniwalla & Mistry LLP

Chartered Accountants

Firm Reg. No. 104607W/W100166

Daraius Z. Fraser

Partner

Membership No.: 42454

For and on behalf of the Board of Directors

Hrshikesh A. Mafatlal

Chairman

DIN: 00009872

D N Mungale

Director & Chairman Audit Committee

DIN: 00007563

Anand V.S.

Managing Director

DIN: 07918665

P. Srinivasan

Chief Financial Officer

Amit Vyas

Company Secretary

Place: Mumbai

Date: May 29, 2024



Consolidated Statement of Profit & Loss

For the year ended March 31, 2024

(₹ in Crores)

Particulars	Note	For the year ended March 31, 2024	For the year ended March 31, 2023
I Revenue from Operations	25	1,444.67	1,616.57
II Other Income	26	39.36	6.24
III Total Income (I + II)		1,484.03	1,622.81
IV EXPENSES			
(a) Cost of materials consumed	27	783.01	908.72
(b) Purchases of Stock-in-trade		4.00	3.21
(c) Changes in stock of finished goods, work-in-progress and stock-in-trade	28	28.04	(24.25)
(d) Employee benefits expense	29	92.11	87.47
(e) Finance costs	30	1.62	1.20
(f) Depreciation and amortisation expense	31	52.79	55.68
(g) Other expenses	32	342.47	388.69
Total Expenses (IV)		1,304.04	1,420.72
V Profit Before Tax (III - IV)		179.99	202.09
VI Tax Expense			
(a) Current tax	33	39.89	49.14
(b) Deferred tax	33	7.14	3.49
(c) Short Provision for tax relating to earlier years	33	(0.04)	0.31
Total Tax Expense (VI)		46.99	52.94
VII Profit After Tax (V - VI)		133.00	149.15
VIII Other Comprehensive Income			
A (i) Items that may be reclassified to profit or loss		-	-
B (i) Items that will not be reclassified to profit or loss			
(a) Remeasurements of the defined benefit liabilities / (asset)		(1.12)	(0.39)
(b) Equity instruments through other comprehensive income		70.66	6.19
(ii) Income tax relating to items that will not be reclassified to profit or loss			
(a) On Remeasurements of the defined benefit liabilities / (asset)	33	0.06	(0.09)
(b) On Equity instruments through other comprehensive income	33	(6.97)	(0.49)
Total Other Comprehensive Income for the year (VIII)		62.63	5.22
IX Total Comprehensive Income for the year (VII+VIII)		195.63	154.37
X Net Profit attributable to :			
(a) Owners of the Company		133.00	149.15
(b) Non-Controlling Interests		-	-
XI Other Comprehensive Income attributable to :			
(a) Owners of the Company		62.63	5.22
(b) Non-Controlling Interests		-	-
XII Total Comprehensive Income attributable to :			
(a) Owners of the Company		195.63	154.37
(b) Non-Controlling Interests		-	-
XIII Earnings Per Equity Share (Face Value ₹ 10/- each)	34		
(a) Basic		7.98	8.95
(b) Diluted		7.95	8.92

Material accounting policies

2

The accompanying notes form an integral part of the Consolidated Financial Statements

In terms of our report attached.

For Kalyaniwalla & Mistry LLP

Chartered Accountants

Firm Reg. No. 104607W/W100166

Darius Z. Fraser

Partner

Membership No.: 42454

For and on behalf of the Board of Directors

Hrshikesh A. Mafatlal

Chairman

DIN: 00009872

D N Mungale

Director & Chairman Audit Committee

DIN: 00007563

Anand V.S.

Managing Director

DIN: 07918665

P. Srinivasan

Chief Financial Officer

Amit Vyas

Company Secretary

Place: Mumbai

Date: May 29, 2024

Consolidated Statement of Cash Flows

For the year ended March 31, 2024

(₹ in Crores)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
A Cash flows from operating activities		
Profit before tax	179.99	202.09
Adjustments for:		
Finance costs	1.62	1.20
Interest income	(16.69)	(4.37)
Dividend income	(0.02)	(0.03)
Miscellaneous Income	(0.81)	(0.02)
(Profit)/Loss on Property, Plant & Equipment sold / scrapped / written off	(17.34)	0.16
Provision for Doubtful Debts	-	0.76
Bad Debts written off	-	0.02
Excess provision for earlier years written back	(1.78)	(1.42)
VAT Set Off Reversal	0.21	(0.56)
Fair Value (gain)/loss on investments	(1.11)	(0.37)
Held-to-maturity gain on Non Convertible Debentures (NCD's)	(1.99)	(0.27)
Depreciation / amortisation expenses	52.80	55.68
Unrealised foreign exchange revaluation (Net)	(0.19)	0.22
Expense recognised in respect of equity-settled share-based payments	0.78	1.38
Rent from Investment Property / Others	(0.37)	(0.41)
Income from Redemption of Mutual Fund	(0.98)	(0.77)
Remeasurement of defined benefit liabilities / (assets) through OCI	(1.12)	(0.39)
Operating profit before working capital changes (i)	193.00	252.90
Adjustments for:		
(Increase)/Decrease in Trade Receivables	8.12	106.18
(Increase)/Decrease in Inventories	62.13	47.85
(Increase)/Decrease in Other Assets - Current & Non Current	(12.53)	15.40
(Increase)/Decrease in Other Financial Assets - Current & Non Current	(0.70)	(0.94)
Increase/(Decrease) in Trade Payable	(9.62)	(89.71)
Increase/(Decrease) in Provisions - Current & Non Current	(2.63)	(0.27)
Increase/(Decrease) in Other Financial Liabilities - Current / Non Current	0.88	2.05
Increase/(Decrease) in Other Liabilities - Current	2.45	(0.97)
Changes in Working Capital (ii)	48.10	79.59
Cash generated from operations (iii) = (i)+(ii)	241.10	332.49
Income taxes paid (Net) (iv)	(40.18)	(50.51)
Net cash generated from/(used in) operating activities (v)= (iii)+(iv)	200.92	281.98
B Cash flows from investing activities		
Payments to acquire financial assets	(776.17)	(319.03)
Proceeds on redemption of financial assets	703.11	128.72
Interest received	12.21	2.50
Dividends received	0.02	0.03
Payments for purchase of property, plant and equipment	(34.47)	(29.45)

Consolidated Statement of Cash Flows

For the year ended March 31, 2024 (Contd.)

(₹ in Crores)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Proceeds from disposal of property, plant and equipment	18.56	0.32
Rent from Investment Property / Others	0.37	0.41
Payments for intangible assets	(0.99)	(0.28)
Net cash (used in)/generated from investing activities (vi)	(77.36)	(216.78)
C Cash flows from financing activities		
Proceeds from issue of Equity Shares on exercise of ESOPs	0.05	1.15
Borrowings from Banks	22.01	20.00
Repayment of borrowings	(22.01)	(20.00)
Dividends paid	(50.07)	(49.99)
Interest paid on lease liability	(0.95)	(0.67)
Principal payment of Lease Liability	(3.66)	(3.73)
Interest paid	(0.67)	(0.53)
Net cash used in financing activities (vii)	(55.30)	(53.77)
Net increase/(decrease) in cash and cash equivalents (v+vi+vii)	68.26	11.43
Cash and cash equivalents at the beginning of the year	23.57	12.17
Unrealised foreign exchange restatement in Cash and cash equivalents	(0.03)	(0.03)
Cash and cash equivalents at the end of the year	91.80	23.57
Reconciliation of Cash and Cash Equivalents with the Balance Sheet:		
Cash and Cash Equivalents at end of the year (including other Bank Balances)	95.54	57.40
Less: Unclaimed Dividend Bank Balances and Investments in Term Deposit (maturity greater than 3 months but less than 12 months) not considered as Cash and cash equivalents	(3.74)	(33.83)
Cash and Cash Equivalents at end of the year	91.80	23.57

Note:

The above Consolidated cash flow statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (IND AS - 7) "Statement of Cash Flow".

In terms of our report attached.

For Kalyaniwalla & Mistry LLP
Chartered Accountants
Firm Reg. No. 104607W/W100166

Daraius Z. Fraser
Partner
Membership No.: 42454

Place: Mumbai
Date: May 29, 2024

For and on behalf of the Board of Directors

Hrishikesh A. Mafatlal
Chairman
DIN: 00009872

P. Srinivasan
Chief Financial Officer

D N Mungale
Director & Chairman Audit Committee
DIN: 00007563

Amit Vyas
Company Secretary

Anand V.S.
Managing Director
DIN: 07918665

Consolidated Statement of Changes in Equity

For the year ended March 31, 2024

(a) Equity Share Capital (Refer Note 16)

(₹ in Crores)

Particulars	Amount
Balance as at March 31, 2022	166.57
Changes in equity share capital during the year:	
Issue of equity shares on exercise of employee stock option plan	0.07
Balance as at March 31, 2023	166.64
Changes in equity share capital during the year:	
Issue of equity shares on exercise of employee stock option plan	0.01
Balance as at March 31, 2024	166.65

(b) Other equity (Refer Note 17)

(₹ in Crores)

Particulars	Other Equity					Other Comprehensive Income		Total
	Capital Reserve	Securities Premium	General Reserve	ESOP outstanding reserve	Retained Earnings	Equity Instrument through OCI	Other Items of OCI	
Balance as at March 31, 2023	0.15	29.04	48.65	5.77	1,315.85	(6.49)	(7.48)	1,385.49
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-
Restated balance as at March 31, 2023	0.15	29.04	48.65	5.77	1,315.85	(6.49)	(7.48)	1,385.49
Profit for the year	-	-	-	-	133.00	-	-	133.00
Other Comprehensive Income for the year, net of income tax	-	-	-	-	-	63.69	-	63.69
Remeasurement of Defined Benefit Obligation, net of income tax	-	-	-	-	-	-	(1.06)	(1.06)
Total Comprehensive Income for the year	-	-	-	-	133.00	63.69	(1.06)	195.63
Premium on shares issued	-	0.05	-	-	-	-	-	0.05
Recognition of share based payments	-	-	-	0.76	-	-	-	0.76
Payment of dividend	-	-	-	-	(49.99)	-	-	(49.99)
Balance as at March 31, 2024	0.15	29.09	48.65	6.53	1,398.85	57.20	(8.54)	1,531.93

Refer Note 17 for nature and purpose of Reserve.

The accompanying notes form an integral part of the Consolidated Financial Statements

In terms of our report attached.

For Kalyaniwalla & Mistry LLP

Chartered Accountants

Firm Reg. No. 104607W/W100166

Daraius Z. Fraser

Partner

Membership No.: 42454

Place: Mumbai

Date: May 29, 2024

For and on behalf of the Board of Directors

Hrishikesh A. Mafatlal

Chairman

DIN: 00009872

P. Srinivasan

Chief Financial Officer

D N Mungale

Director & Chairman Audit Committee

DIN: 00007563

Amit Vyas

Company Secretary

Anand V.S.

Managing Director

DIN: 07918665

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

NOTE 1 GENERAL INFORMATION

a) Corporate information

NOCIL Limited (the Company) having Company Identification No: L99999MH1961PLC012003 is a limited company incorporated on May 11, 1961 and is engaged in manufacture of rubber chemicals domiciled in India. The Company has manufacturing facilities at Navi Mumbai (Maharashtra) and at Dahej (Gujarat). The address of its registered office is Mafatlal House, H.T. Parekh Marg, Backbay Reclamation, Churchgate, Mumbai 400 020, Maharashtra, India. The products manufactured by the Company are used by the tire industry and other rubber processing industries.

The following wholly owned subsidiary company is included in the consolidation

Name	Country of Incorporation	Nature of business
PIL Chemicals Limited	India	Processing of rubber chemical products

Holding company and its subsidiary together referred as "Group."

b) Basis of preparation and presentation

The Consolidated financial statements of the Group have been prepared in accordance with generally accepted accounting principles in India under the historical cost convention on accrual basis at the end of each reporting period except for:

- Certain financial Assets and Liabilities that are measured at fair value
- Defined Benefit Plans that are measured at fair value
- Share based payments – calculated using the Black and Scholes option pricing model

The Consolidated financial statements have been prepared on going concern basis. The accounting policies are applied consistently to all periods presented in the consolidated financial statements. All assets and liabilities have been classified as current or non-current as per the Group's normal operating

cycle and other criteria as set out in the Division II of Schedule III of the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for proceeding and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle not exceeding 12 months for the purpose of current or non-current classification of assets and liabilities.

The Consolidated financial statements of the Group for the year ended March 31, 2024, have been approved for issue in accordance with the resolution of the Board of Directors on May 29, 2024.

c) Functional and presentational currency

The Consolidated financial statements are presented in Indian Rupees (₹), which is the Group's functional and presentational currency. All amounts have been rounded to the nearest Crore with two decimals per the requirement of Schedule III, unless otherwise indicated.

d) Principles of consolidation

i. Subsidiaries

Subsidiaries are all entities over which the group has control. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investees).
- Exposure, or rights, to variable returns from its involvement with the investee,
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

power over and investee, including.

- The Contractual arrangement with the other vote holders of the investee,
- Rights arising from other contractual arrangements,
- The Group's voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liability, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it de-recognises the related assets (including goodwill), liability, non-controlling interest and other components of equity while any resultant gain or loss is recognised in statement of profit and loss. Any investment retained is recognised at fair value.

Non-controlling interest in the results and equity of subsidiaries as shown separately in the consolidated statement of profit and loss, consolidated statement of change in equity and balance sheet respectively.

- ii. The consolidated financial statements relate to NOCIL Limited, the Holding Company and its subsidiary. The consolidation of accounts of the Company with its subsidiary (collectively known as "Group") has been prepared in accordance with (Ind AS) 110 - Consolidated Financial Statements. The financial statements of the parent and its subsidiary are combined on a line-

by-line basis and intra group balances, intra group transactions and unrealised profits or losses are fully eliminated.

- iii. The consolidated financial statements are prepared by adopting uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the parent company's separate financial statements unless stated otherwise.
- iv. The Audited financial statements of the subsidiary used in the consolidation are drawn up to the same reporting date as of the Holding Company i.e., up to March 31, 2024.

e) Key estimates and assumptions

The preparation of Consolidated financial statements requires Management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable.

Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods of the revision if it affects both current and future periods.

Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are as follows:

- Determination of the estimated useful lives and residual value of tangible assets and the assessment as to which components of the cost may be capitalised (Note 2(a)).
- Determination of the estimated useful lives of

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

intangible assets (Note 2(c)).

- Impairment of Property, Plant and Equipment (Note 2(d)).
- Recognition and measurement of defined benefit obligations (Note 2(k) and Note 40).
- Fair valuation of employee share options (Note 2(1) and Note 38).
- Discounting of long-term financial liabilities
- Fair value measurement of financial instruments (Note 1(f)).
- Impairment of Financial and Non-financial assets. Recognition and measurement of provisions and contingencies, key assumptions about the likelihood and magnitude of an outflow of resources; (Note 2(q)).
- Accruals of Sales incentives, Commission, etc.

f) Measurement of Fair value

The Group's Consolidated accounting policies and disclosures require the measurement of fair values for financial instruments. The Group has an established control framework with respect to the measurement of fair values. The Management regularly reviews significant inputs and valuation adjustments. If third party information, such as Government approved valuer, broker quotes or pricing services, is used to measure fair values, then the Management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

While measuring the fair value of a financial asset or a financial liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 inputs other than quoted prices included within Level 1, that are observable for the asset or liability, either directly (i.e., as prices) or indirectly

(i.e., derived from prices).

- Level 3 inputs for the assets or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

g) Recent Pronouncements Amendments in Ind AS

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCS has not notified any new standards or amendments to the existing standards applicable to the Group.

NOTE 2 MATERIAL ACCOUNTING POLICIES

Pursuant to the Companies (Indian Accounting Standards) Amendment Rules, 2023 effective 01-04-2023, the Group is required to disclose 'material accounting policy Information' in lieu of the earlier requirement of disclosing 'significant accounting policies'.

All accounting policies followed by the Group are in accordance with the Indian Accounting Standards (Ind AS) notified u/s 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 and conform to Schedule III to the Companies Act, 2013 as applicable. Specific disclosure of material accounting policy information where Ind AS permits options is made hereunder:

The Group has assessed the materiality of the accounting policy information, which involves exercising judgement and considering both quantitative and qualitative factors by taking into account not only the size and nature of the item or condition but also the characteristics of the transactions, events or conditions that could make the information more

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

likely to impact the decisions of the users of the financial statements.

a) Property, Plant and Equipment

Property, Plant and Equipment (PPE) are stated at cost of acquisition, including any attributable cost for bringing the asset to its working condition for its intended use less accumulated depreciation and less accumulated impairment, if any. Cost includes expenses related directly to acquisition and installation of the concerned assets, borrowing cost during the construction period and estimated costs of dismantling and removing the item and restoring the site on which it is located and excludes any duties / taxes recoverable.

Advances paid towards the acquisition of PPE outstanding at each reporting date is classified as Capital Advances under Other Non-Current Assets and assets which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital Work in Progress".

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes all costs incurred to bring the assets to their present location and condition. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use.

Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

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

An item of property, plant and equipment is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

The estimated residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Subsequent costs are included in the assets carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the items will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Profit and Loss during the period in which they are incurred.

When significant identifiable parts of PPE are required to be replaced, the Group de-recognises the replaced parts and recognises the new part with its own associated useful life and it is depreciated accordingly. In other cases, expenses are charged off to the Statement of Profit and Loss.

Depreciation is provided, under the Straight-Line Method basis so as to write off the original cost of the asset less its estimated residual value over the estimated useful life. The Management's estimate of useful lives is in accordance with Schedule II to the Companies Act, 2013, except for auxiliaries and certain other machineries, where the life considered is 16-18 years instead of 25 years based on the technical evaluation done by the Group. Assets costing ₹ 50,000 or less are fully depreciated in the year of purchase.

b) Investment Property

Land or Building held to earn rentals or for capital appreciation or both rather than for use in the production or supply of goods and services or for administrative purposes; or sale in the ordinary course of business is recognised as Investment Property. Investment Property are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Though, the Group measures investment property using cost-based measurement, the fair value of investment property is disclosed in Notes. Fair values are determined based on an annual evaluation performed by a government approved valuer.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

Investment properties are de-recognised either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal.

The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the Statement of Profit and Loss in the period of de-recognition.

c) Intangible Assets

An Intangible asset is recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the Group and the cost of the asset can be measured reliably. Intangible assets that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Intangible assets are amortised over their estimated useful life. The useful life of intangible assets is assessed as either finite or infinite. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted on a prospective basis.

Estimated useful lives of finite intangible assets are as follows:

Patents	10 years
Software	10 years

Changes in the expected useful life are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. Intangible assets with indefinite useful lives are not amortised but are tested for impairment annually. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

d) Impairment of Non-Financial Assets

At the end of each reporting period, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication of an impairment loss. If any such indication exists, the recoverable amounts are estimated in order to determine the extent of the impairment loss (if any). An impairment loss is recognised whenever the carrying amount of an asset or a cash-generating unit exceeds its recoverable amount. The impairment loss, if any, is recognised in the Statement of Profit and Loss in the period in which impairment takes place.

Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Where an impairment loss subsequently reverses, the carrying amount of the assets is increased to the revised estimate of its recoverable amount, however subject to the increased carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior accounting periods.

e) Inventories

Inventories are measured at lower of cost and net realisable value. Cost of inventories comprises all costs of purchase (net of input credits), costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost of stores and spares, raw materials, trading and other products is determined on weighted average basis. Cost of work-in-progress and finished stock is determined by the absorption costing method.

Net realisable value represents estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

Provision is made for cost of obsolescence and other anticipated losses, whenever considered necessary by Management.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

f) Cash and Cash Equivalents

Cash and Cash Equivalents in the Balance Sheet comprises cash on hand, bank balances and short-term deposits with banks with a maturity of three months or less which are readily convertible into cash, and which are subject to insignificant risk of changes in value.

For the purpose of the Consolidated Statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

g) Cash flow statement

Cash Flows are reported using Indirect Method, whereby profit for the year 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 flows from operating, investing and financing activities of the Group are segregated.

h) Financial instruments

A financial instrument is any contract that gives rise to financial assets of one entity and financial liability or equity of another entity. Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts.

i) Financial Asset

Initial recognition:

Financial assets are recognised when a Group becomes a party to the contractual provisions of the instruments. Financial assets are initially measured at fair value plus transaction costs that are directly attributable to the acquisition or issue of financial assets.

Subsequent measurement of financial assets:

Financial assets are subsequently classified and measured at:

- amortised cost
- fair value through Profit and Loss (FVTPL)
- fair value through Other Comprehensive Income (FVTOCI)

Financial assets are not reclassified subsequent to their recognition, except if and in the period the Group changes its business model for managing financial assets.

Trade Receivables and Loans:

All financial assets are recognised initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial asset at amortised cost. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Debt Instruments:

Debt instruments are initially measured at amortised cost, fair value through other comprehensive income ('FVTOCI') or fair value through profit or loss ('FVTPL') till de-recognition on the basis of

- (i) the Groups's business model for managing the financial assets and
- (ii) the contractual cash flow characteristics of the financial asset.

a) 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 on the principal amount outstanding, are subsequently measured at amortised cost using the effective interest rate ('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.

b) 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,

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

are subsequently measured at fair value through other comprehensive income. Fair value movements are recognised in the other comprehensive income (OCI). Interest income calculated using the effective interest rate method recognised in the Statement of Profit and Loss.

A gain or loss on a financial asset measured at fair value through other comprehensive income shall be recognised in other comprehensive income, except for impairment gains or losses and foreign exchange gains and losses, until the financial asset is derecognised or reclassified. When the financial asset is derecognised the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment.

c) Measured at Fair Value Through Profit and 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, including interest income and dividend income if any are recognised in the Statement of Profit and Loss.

For investments in mutual fund, the Group has opted to account for the fair value through profit or loss.

Equity Instruments:

Investments in equity instruments at FVTPL:

Investments in equity instruments other than investments in subsidiaries are classified as at FVTPL, unless the Group irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for equity instruments which are not held for trading.

Investments in equity instruments at FVTOCI:

On initial recognition, the Group can make an irrevocable election (on an instrument-by-

instrument basis) to present the subsequent changes in fair value in other comprehensive income. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the reserve for 'equity instruments through other comprehensive income'.

On de-recognition, amounts presented in other comprehensive income shall not be subsequently transferred to profit or loss, but may transfer the cumulative gain or loss within equity.

Impairment of financial assets:

The Group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset.

For trade receivables, the Group measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Group has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

De-recognition of financial assets:

The Group de-recognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

asset is de-recognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognised.

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

ii) Financial liabilities

Initial recognition

Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss. In case of trade payables, they are initially recognised at fair value and subsequently, these liabilities are held at amortised cost, using the effective interest method.

Subsequent Measurement

Financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit or loss is measured at fair value with all changes in fair value recognised in the Consolidated Statement of Profit and Loss. The interest expenses using the effective interest method is recognised over the relevant period of the financial asset. The same is included under Finance cost in the Statement of Profit and Loss unless it is capitalised as part of cost of an item of Property, Plant and Equipment.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial

liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of the new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Derivative financial instruments

The Group enters into a variety of derivative financial instruments to manage its exposure to foreign exchange rate risks, including foreign exchange forward contracts.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in the Consolidated Statement of Profit and Loss immediately.

Derivatives embedded in non-derivative host contracts that are not financial assets within the scope of Ind AS 109 are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

i) Foreign Exchange Transactions

In preparing the Consolidated financial statements of the Group, transactions in currencies other than the Group's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are restated at the rates prevailing at the reporting date. Nonmonetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated. Exchange differences on monetary items are recognised in the Statement of Profit and Loss in the period in which they arise.

j) Revenue recognition

Revenue from sale of products is recognised when the products are dispatched to customers, all significant contractual obligations have been satisfied and the collection of the resulting receivable is reasonably expected. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Group as part of the contract.

Accumulated experience is used to estimate and provide for the discounts and returns. No element of financing is deemed present as the sales are made with normal credit days consistent with market practice.

Export incentives are recognised as income as per the terms of the scheme in respect of the exports made and included as part of "Other Operating Revenues".

Dividend and interest income

Dividend income from investments is recognised when the Group's right to receive payment has been established.

For all financial instruments measured at amortised cost, interest income is recorded using the effective

interest rate (EIR), which is the rate that discounts the estimated future cash payments or receipts through the expected life of the financial instruments or a shorter period, where appropriate, to the net carrying amount of the financial assets. Interest income is included in other income in the Consolidated Statement of Profit and Loss.

k) Employee benefits

Short-term Employee Benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, performance incentives, etc., are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the employee renders the related service. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Post-Employment Benefits:

(a) Defined Contribution Plans

Payments made to a defined contribution plan such as Provident Fund, Family Pension, and Superannuation scheme are charged as an expense in the Statement of Profit and Loss as they fall due.

(b) Defined Benefit Plans

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, after discounting the same. The calculation of defined benefit obligations is performed annually by a qualified actuary using the Projected Unit Credit method. Remeasurement of the net defined benefit liability, comprise actuarial gains and losses which are recognised immediately in Other Comprehensive Income (OCI). Net interest expense/ (income) on the net defined liability/ (assets) is computed by applying the discount rate, used to measure the

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

net defined liability / (asset). Net interest expense and other expenses related to defined benefit plans are recognised in Statement of Profit and Loss. When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in Statement of Profit and Loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(c) Other Long-Term Employee Benefits

The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Re-measurement are recognised in Statement of Profit and Loss in the period in which they arise.

I) Equity Share-Based Payments

Employees of the Group also receive remuneration in the form of share-based payments in consideration of the services rendered.

Under the equity settled share-based payment, the fair value on the grant date of the awards given to employees is recognised as 'employee benefit expenses' with a corresponding increase in equity over the vesting period. The fair value of the options at the grant date is calculated on the basis of the Black Scholes model. At the end of each reporting period, apart from the non-market vesting condition, the expense is reviewed and adjusted to reflect changes to the level of options expected to vest. When the options are exercised, the Group issues fresh equity shares. When the terms of an equity-settled award are modified, an additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction or is otherwise beneficial to the employee as measured at the date of modification.

m) Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

As a Lessee

The Group's lease assets classes primarily consist of leases for land, buildings and office equipment. The Group assesses whether a contract contains a lease, at inception of a 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 Group assesses whether:

- (i) The contract involves the use of an identified asset
- (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. Leasehold land is amortised on a straight-line basis over the period of the lease. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

As a Lessor

Lease payments under operating leases is generally recognised as an expense on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the underlying asset and recognised as an expense over the lease term on the same basis as the lease income.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

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

n) Taxes on Income

Income tax expense comprises current tax expense and the deferred tax during the year. Current and deferred taxes are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Current tax

Current tax is measured at the amount of tax expected to be payable on the taxable income for the year and any adjustments to the tax payable or receivable in respect of previous years as determined in accordance with the provisions of the Income Tax Act, 1961 that have been enacted or subsequently enacted at the end of the reporting period.

Current tax assets and current tax liabilities are offset when there is legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

o) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Group has a present obligation as a result of a past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and when a reliable estimate of the amount of the obligation can be made. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date. The expenses relating to a provision is presented in the Consolidated Statement of Profit and Loss net of any reimbursement. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as finance cost.

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 Group 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.

A contingent asset is not recognised but disclosed in the financial statements where an inflow of economic benefit is probable.

Provisions, contingent assets, contingent liabilities and commitments are reviewed at each balance sheet date.

p) Earnings Per Share (EPS)

Basic 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. Diluted EPS is computed 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 as adjusted for the effects of all dilutive potential equity shares, except where the results are anti-dilutive.

q) Dividend

The final dividend on shares is recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Group's Board of Directors.

r) Segment Reporting

The Group is considered to be a single segment group – engaged in the manufacture of rubber chemicals. As per Ind AS-108 'Operating Segments', if a financial report contains both the consolidated financial statements of a parent that is within the scope of Ind AS-108 as well as the parent's separate financial statements, segment information is required only in the consolidated financial statements. Accordingly, information required to be presented under Ind AS-108 Operating Segments has been given in the consolidated financial statements.

The Group is considered to be a single segment group – engaged in the manufacture of rubber chemicals. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). Operating Segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the CODM, in deciding how to allocate resources and assessing performance.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 3 PROPERTY, PLANT AND EQUIPMENT

(₹ in Crores)

Particulars	Buildings	Plant and Equipment	Office Equipment	Furniture and Fixtures	Vehicles	Total
I. Gross Carrying Value						
Balance as at April 01, 2023	218.73	730.29	8.39	4.86	4.72	966.99
Additions	1.01	23.60	2.02	0.22	1.10	27.94
Disposals / Transfers	-	(1.96)	(0.12)	-	(2.31)	(4.39)
Balance as at March 31, 2024	219.74	751.93	10.28	5.08	3.51	990.54
II. Accumulated depreciation and impairment						
Balance as at April 01, 2023	45.53	255.41	6.04	3.93	2.72	313.63
Depreciation expense for the year	6.74	35.23	1.20	0.27	0.41	43.85
Eliminated on disposal / transfer of assets	-	(1.30)	(0.12)	-	(1.77)	(3.19)
Balance as at March 31, 2024	52.27	289.34	7.12	4.20	1.36	354.29
III. Net Carrying value as at March 31, 2024 (I-II)	167.47	462.59	3.16	0.88	2.15	636.25

(₹ in Crores)

Particulars	Buildings	Plant and Equipment	Office Equipment	Furniture and Fixtures	Vehicles	Total
I. Gross Carrying Value						
Balance as at April 01, 2022	215.43	711.67	7.49	4.45	4.28	943.32
Additions	3.38	20.82	1.04	0.41	0.76	26.41
Disposals / Transfers	(0.08)	(2.20)	(0.14)	-	(0.32)	(2.74)
Balance as at March 31, 2023	218.73	730.29	8.39	4.86	4.72	966.99
II. Accumulated depreciation and impairment						
Balance as at April 01, 2022	38.22	219.43	5.27	3.41	2.54	268.87
Depreciation expense for the year	7.36	37.71	0.91	0.51	0.48	46.97
Eliminated on disposal / transfer of assets	(0.05)	(1.73)	(0.14)	-	(0.30)	(2.22)
Balance as at March 31, 2023	45.53	255.41	6.04	3.92	2.72	313.62
III. Net Carrying value as at March 31, 2023 (I-II)	173.20	474.88	2.35	0.94	2.00	653.37

Notes:

a) Property, Plant & Equipment relating to approved R & D facility included above is as under:

(₹ in Crores)

Particulars	Gross Block	Depreciation	Net Block
Balance as at April 01, 2022	6.60	4.33	2.27
Additions during the year	0.81	-	0.81
Depreciation expense for the year	-	0.40	(0.40)
Disposals / Deletions	(0.22)	(0.20)	(0.02)
Balance as at March 31, 2023	7.19	4.53	2.66
Additions during the year	0.24	-	0.24
Depreciation expense for the year	-	0.39	(0.39)
Disposals / Deletions	-	-	-
Balance as at March 31, 2024	7.43	4.92	2.51

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 3 PROPERTY, PLANT AND EQUIPMENT (Contd.)

- b) Refer Note 36 for disclosure of contractual commitment for acquisition of Property, Plant and Equipment.
- c) The Company has not revalued its Property, Plant and Equipment during the year.
- d) Capital Work-in-Progress :

Ageing Schedule of Capital Work-in-progress as on March 31, 2024

(₹ in Crores)

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	14.52	0.86	0.80	-	16.18
Projects temporarily suspended	-	-	-	-	-
Total	14.52	0.86	0.80	-	16.18

Ageing Schedule of Capital Work-in-progress as on March 31, 2023

(₹ in Crores)

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	7.37	1.20	-	-	8.57
Projects temporarily suspended	-	-	-	-	-
Total	7.37	1.20	-	-	8.57

- e) Details of Capital Work-in-Progress whose completion is overdue as compared to its original plan as at March 31, 2024

(₹ in Crores)

Overdue completion of Projects lying in Capital Work-in-progress	To be completed in					Remarks
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	
Projects more than ₹ 25 Lacs						
Installation of Solar system	0.52	-	-	-	0.52	Project execution is completed. Govt. Metering is in process, expected capitalisation in Q1 2024-25.
Basic engineering study done for rubber chemical business expansion	1.47	-	-	-	1.47	Project completed, expected capitalisation alongwith main project. Board approval for main project is received in March 24.
Total	1.99	-	-	-	1.99	
Other Projects (below ₹ 25 Lacs)	1.12	-	-	-	1.12	
Total	3.11	-	-	-	3.11	

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 3A RIGHT OF USE ASSETS

(₹ in Crores)

Particulars	Land	Buildings	Office Equipments	Total
I. Gross Carrying Value				
Balance as at April 01, 2023	254.13	18.31	1.32	273.76
Additions	-	8.06	-	8.06
Disposals	-	(2.87)	-	(2.87)
Balance as at March 31, 2024	254.13	23.50	1.32	278.95
II. Accumulated depreciation and impairment				
Balance as at April 01, 2023	32.43	10.19	0.26	42.88
Depreciation expense for the year	4.63	3.48	0.26	8.37
Eliminated on disposal of assets	-	(1.81)	-	(1.81)
Balance as at March 31, 2024	37.06	11.86	0.52	49.44
III. Net Carrying value as at March 31, 2024 (I-II)	217.07	11.64	0.80	229.51

(₹ in Crores)

Particulars	Land	Buildings	Office Equipments	Total
I. Gross Carrying Value				
Balance as at April 01, 2022	254.13	11.73	-	265.86
Additions	-	7.68	1.32	9.00
Disposals	-	(1.10)	-	(1.10)
Balance as at March 31, 2023	254.13	18.31	1.32	273.76
II. Accumulated depreciation and impairment				
Balance as at April 01, 2022	27.80	7.12	-	34.92
Depreciation expense for the year	4.63	3.16	0.26	8.05
Eliminated on disposal of assets	-	(0.09)	-	(0.09)
Balance as at March 31, 2023	32.43	10.19	0.26	42.88
III. Net Carrying value as at March 31, 2023 (I-II)	221.70	8.12	1.06	230.88

NOTE 4 INVESTMENT PROPERTY

(₹ in Crores)

Particulars	Buildings
I. Gross Carrying Value	
Balance as at April 1, 2023	0.91
Additions	-
Disposals	-
Balance as at March 31, 2024	0.91
II. Accumulated depreciation and impairment	
Balance as at April 1, 2023	0.47
Depreciation expense for the year	0.02
Eliminated on disposal of assets	-
Balance as at March 31, 2024	0.49
III. Net Carrying value as at March 31, 2024 (I-II)	0.42

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 4 INVESTMENT PROPERTY (Contd.)

(₹ in Crores)

Particulars	Buildings
I. Gross Carrying Value	
Balance as at April 01, 2023	0.83
Additions / Transfers	0.08
Disposals / Transfers	-
Balance as at March 31, 2024	0.91
II. Accumulated depreciation and impairment	
Balance as at April 01, 2023	0.40
Depreciation expense for the year	0.07
Eliminated on disposal / transfer of assets	-
Balance as at March 31, 2024	0.47
III. Net Carrying value as at March 31, 2024 (I-II)	0.44

Note:

a) Fair value disclosures

The fair value of the Group's investment properties as at March 31, 2024 and March 31, 2023 has been arrived at on the basis of a valuation carried out on the respective dates by independent & government certified valuer not related to the Group. The fair value was determined based on the comparable sale and market analysis approach based on recent market prices without any significant adjustments being made to the market observable data. In estimating the fair value of the properties, the highest and best use of the properties is their current use.

Details of the Group's investment properties and information about the fair value hierarchy as at March 31, 2024 and March 31, 2023 are as follows:

(₹ in Crores)

Particulars	Amount	Fair value hierarchy
As at March 31, 2024		
Fair Value of Investment Property - Units located in India	15.21	Level 2
As at March 31, 2023		
Fair Value of Investment Property - Units located in India	16.11	Level 2

- b) The Group has no restriction on the releasability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.
- c) Information regarding Income and Expenditure of Investment Property.

(₹ in Crores)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Rental Income derived from Investment Properties	0.26	0.31
Less: Direct Operating Expenses	(0.01)	(0.12)
Gain arising from Investment Properties before depreciation	0.25	0.19
Less: Depreciation	(0.02)	(0.02)
Net Income arising from Investment Properties	0.23	0.17

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 5 INTANGIBLE ASSETS

(₹ in Crores)

Particulars	Patents	Software	Total
I. Gross Carrying Value			
Balance as at April 01, 2023	7.62	4.29	11.91
Additions	-	0.99	0.99
Disposals	-	-	-
Balance as at March 31, 2024	7.62	5.28	12.90
II. Accumulated amortisation			
Balance as at April 01, 2023	5.23	3.49	8.72
Amortisation expense for the year	0.28	0.28	0.56
Eliminated on disposal of assets	-	-	-
Balance as at March 31, 2024	5.51	3.77	9.28
III. Net Carrying value as at March 31, 2024 (I-II)	2.11	1.51	3.62

(₹ in Crores)

Particulars	Patents	Software	Total
I. Gross Carrying Value			
Balance as at April 01, 2022	7.62	4.05	11.67
Additions	-	0.28	0.28
Disposals	-	-	-
Balance as at March 31, 2023	7.62	4.33	11.95
II. Accumulated amortisation			
Balance as at April 01, 2022	4.94	3.17	8.11
Amortisation expense for the year	0.29	0.35	0.64
Eliminated on disposal of assets	-	-	-
Balance as at March 31, 2023	5.23	3.52	8.75
III. Net Carrying value as at March 31, 2023 (I-II)	2.39	0.81	3.20

Note:

- a) Intangible Assets relating to approved R & D facility included above is as under.

(₹ in Crores)

Particulars	Gross Block	Amortisation	Net Block
Balance as at April 01, 2023	0.30	0.15	0.15
Additions during the year	-	-	-
Amortisation expense for the year	-	0.03	(0.03)
Balance as at March 31, 2023	0.30	0.18	0.12
Additions during the year	-	-	-
Amortisation expense for the year	-	0.03	(0.03)
Balance as at March 31, 2024	0.30	0.21	0.09

- b) All Intangible assets held by the group are purchased and not internally generated.
- c) The Company has not revalued its Intangible assets during the year.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 6 NON CURRENT INVESTMENTS

(₹ in Crores)

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	Amount	No. of shares	Amount
a) Investment in equity instruments				
(i) Quoted Investments (at fair value through other comprehensive income (FVTOCI))				
- Mafatlal Industries Limited (₹ 2/- each, fully paid-up)	97,73,475	110.78	97,73,475	40.11
- HDFC Bank Limited (₹ 1/- each, fully paid-up)	10,000	1.45	10,000	1.61
- Bank of India (₹ 10/- each, fully paid up)	19,900	0.27	19,900	0.15
- Union Bank of India (₹ 10/- each, fully paid-up)	3,960	0.06	3,960	0.03
Total Quoted Investments at FVTOCI (A)		112.56		41.90
(ii) Unquoted Investments (at amortised cost)				
- The Bharat Co-Operative Bank Limited (₹ 10/- each, fully paid-up)	10,000	0.01	10,000	0.01
- Shree Balaji Sahakari Sakhar Karkhana Limited * (₹ 2,000/- each, fully paid-up)	1	0.00	1	0.00
- Mafatlal Engineering Industries Limited (₹ 100/- each, fully paid-up)	17,101	0.18	17,101	0.18
Less: Provision for Impairment		(0.18)		(0.18)
		-		-
- Mafatlal Services Limited *	22,320	0.00	22,320	0.00
Total Unquoted Investments at amortised cost (B)		0.01		0.01
(b) Other Investments (Quoted) (at amortised cost)				
Investment in Debentures		5.88		-
Total Quoted Investments measured at amortised cost (C)		5.88		
(b) Investments in Mutual Funds (at fair value through profit and loss account (FVTPL))	-	0.19	-	0.14
Total Investments in Mutual Funds (D)		0.19		0.14
Total Investments (A+ B+C+D)		118.64		42.05

Particulars	As at March 31, 2024	As at March 31, 2023
Aggregate Amount of Quoted Investments	112.56	41.90
Market Value of Quoted Investments	112.56	41.90
Aggregate Amount of Unquoted Investments (At Cost)	0.38	0.33
Aggregate Amount of Impairment in the Value of Investments	0.18	0.18

* Amount less than ₹ 0.01 Crores.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 7 NON CURRENT - OTHER FINANCIAL ASSETS

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Financial Assets		
Security Deposits		
- Unsecured, considered good	9.78	9.56
- Unsecured, considered doubtful	3.00	3.00
Less : Allowance for doubtful deposits	(3.00)	(3.00)
	9.78	9.56
Earmarked Balances		
- Term Deposit with Bank (remaining maturity of more than 12 months)	0.02	0.02
Loans to employees		
- Unsecured, considered good	0.03	0.03
Total	9.83	9.61

NOTE 8 OTHER NON CURRENT ASSETS

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Advances other than capital advances		
Balances with Government Authorities (other than income taxes)		
- CENVAT Credit Receivable	3.07	3.07
- VAT Credit Receivable	4.57	8.17
- Service Tax Credit Receivable	0.06	0.06
- GST Credit Receivable	0.04	-
- Others	0.26	0.26
	8.00	11.56
Less: Provision for doubtful receivables	(3.02)	(3.02)
	4.98	8.54
Prepaid Expenses	0.24	0.48
Capital Advances	2.33	1.71
Total	7.55	10.73

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 9 INVENTORIES (AT LOWER OF COST AND NET REALISABLE VALUE)

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Raw materials (@)	85.71	120.07
Work-in-progress	33.68	29.80
Finished goods (#)	89.76	121.70
Stock-in-trade	0.52	0.49
Stores and spares	13.12	12.83
Total	222.79	284.89
Included above, goods-in-transit:		
(i) Raw materials	3.21	7.01
Total	3.21	7.01

(@) Net of write down of ₹ 0.84 Crores (Previous year ₹ 0.84 Crores)

(#) Net of write down of ₹ 2.39 Crores (Previous year ₹ 3.37 Crores)

NOTE 10 FINANCIAL ASSETS - CURRENT INVESTMENTS

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Investments in Mutual Funds (Unquoted) (at fair value through profit and loss account (FVTPL))	41.57	27.63
Total (A)	41.57	27.63
(b) Other Investments (at amortised cost)		
In Inter Corporate Deposits (ICD)		
Intercompany deposits with Bajaj Finance Limited	-	2.12
Total (B)	-	2.12
(c) Investments in Non Convertible Debentures (NCDs) (Quoted) (through effective interest method)	239.20	146.57
Total (C)	239.20	146.57
Total Investments (A+B+C)	280.77	176.32

Particulars	As at March 31, 2024	As at March 31, 2023
Aggregate Amount of Quoted Investments	239.20	146.57
Market Value of Quoted Investments	239.14	146.44
Aggregate Amount of Impairment in the Value of Investments	-	-
Aggregate Amount of Unquoted Investments (At Cost)	41.57	29.75

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 11 CURRENT FINANCIAL ASSETS - TRADE RECEIVABLES

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Considered good - Secured	-	-
(b) Considered good - Unsecured	340.18	345.98
(c) Which have significant increase in Credit Risk	-	-
(d) Credit Impaired	0.69	0.88
Less: Allowance for doubtful debts	(0.69)	(0.88)
Total	340.18	345.98

Trade Receivables Ageing Schedule as at March 31, 2024

(₹ in Crores)

Particulars	Not due	Outstanding for following periods from due date of payment		Total
		Less than 6 months	6 months - 1 year	
(i) Undisputed Trade receivables – considered good	308.69	31.44	0.05	340.18
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-
Total	308.69	31.44	0.05	340.18

Trade Receivables Ageing Schedule as at March 31, 2023

(₹ in Crores)

Particulars	Not due	Outstanding for following periods from due date of payment		Total
		Less than 6 months	6 months - 1 year	
(i) Undisputed Trade receivables – considered good	328.68	17.25	0.05	345.98
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-
Total	328.68	17.25	0.05	345.98

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 12 CURRENT FINANCIAL ASSETS - CASH AND CASH EQUIVALENTS

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Cash on hand	0.11	0.07
Balances with banks	15.90	23.50
Term Deposits with original maturity of less than 3 months	75.79	-
Total	91.80	23.57
Cash and cash equivalents as per statement of cash flows	91.80	23.57

NOTE 13 CURRENT FINANCIAL ASSETS - OTHER BANK BALANCES

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Earmarked balances with bank		
- Unclaimed dividend account	3.73	3.81
Investments in term deposits (with original maturity of more than three months but less than twelve months)	0.01	30.02
Total	3.74	33.83

NOTE 14 CURRENT - OTHER FINANCIAL ASSETS

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Financial Assets		
Interest free Loans to employees (Unsecured, considered good)	0.01	0.01
Security Deposits (Unsecured, considered good)	0.16	-
Interest accrued on deposits and Non Convertible Debentures	8.98	5.12
Total	9.15	5.13

NOTE 15 OTHER CURRENT ASSETS

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Advances to Suppliers and Others	3.11	1.26
Balances with Government Authorities (other than Income Taxes)		
- VAT Credit Receivable	4.44	0.65
- GST Credit Receivable	11.23	2.42
	15.67	3.07
Prepaid expenses	8.11	6.84
Export incentive receivable	0.60	0.38
Other Advances	0.01	0.01
Total	27.50	11.56

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 16 EQUITY SHARE CAPITAL

(₹ in Crores)

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	Amount	No. of shares	Amount
Authorised:				
Equity shares of ₹ 10/- each	1,20,00,00,000	1,20,000	1,20,00,00,000	1,20,000
Issued, Subscribed and Fully Paid:				
Equity shares of ₹ 10/- each	16,66,45,705	166.65	16,66,42,855	166.64

(i) Rights, preferences and restrictions attached to equity shares

The Group has one class of equity share having a par value of ₹ 10/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

In the event of liquidation, the equity shareholders are eligible to receive the remaining asset of the Group after distribution of all preferential amounts, in proportion to their shareholding.

(ii) Reconciliation of the number of shares outstanding at the beginning and at the end of the period.

(₹ in Crores)

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	Amount	No. of shares	Amount
Equity Shares Outstanding at the beginning of the year	16,66,42,855	166.64	16,65,73,855	166.57
Add: Allotment pursuant to exercise of stock options granted under Group's employee stock option plan (Refer Note 38)	2,850	0.01	69,000	0.07
Equity Shares Outstanding at the end of the year	16,66,45,705	166.65	16,66,42,855	166.64

(iii) Details of shareholders holding more than 5% of the aggregate equity shares of the Group

(₹ in Crores)

Name of Shareholders	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	Percentage	No. of Shares	Percentage
Mr. Hrishikesh Arvind Mafatlal (as a Trustee of Gurukripa Trust)	3,03,26,782	18.20%	3,03,26,782	18.20%
Mafatlal Industries Limited	2,52,59,059	15.16%	2,52,59,059	15.16%

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 16 EQUITY SHARE CAPITAL (Contd.)

(iv) Details of shareholding of promoters in the equity shares of the Company

(₹ in Crores)

Name of Promoter	As at March 31, 2024		As at March 31, 2023		% Change during the year
	No. of Shares	Percentage	No. of Shares	Percentage	
Mr. Hrishikesh Arvind Mafatlal (as a Trustee of Gurukripa Trust)	3,03,26,782	18.20%	3,03,26,782	18.20%	-
Mafatlal Industries Limited	2,52,59,059	15.16%	2,52,59,059	15.16%	-
Mr. Hrishikesh Arvind Mafatlal	7,91,468	0.47%	7,91,468	0.47%	-
Mr. Priyavrata Hrishikesh Mafatlal	12,495	0.01%	12,495	0.01%	-
Mrs. Rekha Hrishikesh Mafatlal	760	0.00%	760	0.00%	-
Sumil Trading Private Limited	220	0.00%	220	0.00%	-
Mr. Hrishikesh Arvind Mafatlal (as a Trustee of Karuna Trust)	100	0.00%	100	0.00%	-
Mr. Hrishikesh Arvind Mafatlal (as a Trustee of Narsingha Trust)	100	0.00%	100	0.00%	-
Mr. Hrishikesh Arvind Mafatlal (as a Trustee of Shreeja Trust)	100	0.00%	100	0.00%	-
Mrs. Rekha Hrishikesh Mafatlal (as a Trustee of Radharaman Trust)	100	0.00%	100	0.00%	-

(v) Share options granted under Group's share option plan

Share options granted but not exercised under Group's share option plan carry no rights to dividend and no voting rights. Further details of the employee share option plan are provided in Note 38.

As at March 31, 2024, 13,63,675 equity shares (as at March 31, 2023, 13,66,525 equity shares) of ₹ 10 each were reserved for outstanding employee share option granted.

(vi) During the period of five years immediately preceeding the date as at which the Balance Sheet is prepared :

- No Class of Shares were allotted as fully paid up pursuant to contract without payment being received in cash.
- No Class of Shares were allotted as fully paid up by way of bonus shares for consideration other than cash.
- No Class of Shares were bought back by the Group.

(vii) There are no calls unpaid.

(viii) There are no forfeited shares.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 17 OTHER EQUITY

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Capital Reserve	0.15	0.15
Securities Premium	29.09	29.04
General Reserve	48.65	48.65
Share options outstanding account	6.53	5.77
Retained Earnings	1,398.85	1,315.85
Equity Instrument Through Other Comprehensive Income	57.20	(6.49)
Other Items of Other Comprehensive Income		
- Remeasurements of Defined Benefit Obligation	(8.54)	(7.48)
Total	1,531.93	1,385.49

Note: Refer Statement of Changes in Equity for movements in above elements of Other Equity.

Nature and purpose of each reserve within Other equity

Securities Premium account:

Where Group issues shares at a premium, a sum equal to the aggregate amount of the premium received on those shares shall be transferred to a "securities premium" as per the provisions of applicable Companies Act. It can be utilised in accordance with the provisions of the Act, to issue bonus shares, to provide for premium on redemption of shares or debentures, write-off equity related expenses like underwriting costs, etc.

General Reserve:

The general reserve comprises of transfer of profits from retained earnings for appropriation purposes. The reserve can be distributed / utilised by the Group in accordance with the Companies Act, 2013.

Share option outstanding account:

This reserve relates to share options granted by the Group to its employees under its employee share option plan. Further information about share based payments to employees is set out in Note 38.

Retained Earnings:

Retained earnings represents the surplus / (deficit) of the statement of profit or loss. The amount that can be distributed by the Group as dividends to its equity shareholders is determined based on the financial statements of the Group and also considering the requirements of the Companies Act, 2013.

Equity instrument through other comprehensive income:

This reserve represents the cumulative gains and losses arising on the fair valuation of equity instruments measured at fair value through other comprehensive income, net of amounts reclassified to retained earnings when those assets have been disposed of.

Items of Other Comprehensive Income - Remeasurements of Defined Benefit Obligation

Differences between the interest income on plan assets and the return actually achieved, and any changes in the liabilities over the years due to changes in actuarial assumptions or experience adjustments within the plans, are recognised in other comprehensive income and are adjusted to retained earnings.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 18 NON CURRENT FINANCIAL LIABILITIES - LEASE LIABILITIES

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Financial Lease Liabilities	10.86	6.83
Total	10.86	6.83

NOTE 19 NON CURRENT PROVISIONS

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for employee benefits (Refer Note 40)	-	-
- Gratuity	6.48	6.73
- Leave Encashment	8.26	9.04
- Others	0.44	0.45
Total	15.18	16.22

NOTE 20 CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Trade Payables:		
(a) Payable to Micro and Small enterprises (Refer Note below)	2.78	1.76
(b) Payable to Others		
i) Acceptances	37.35	21.93
ii) Other than Acceptances	77.92	103.58
	115.27	125.51
Total	118.05	127.27

Trade Payables Ageing Schedule as at March 31, 2024

(₹ in Crores)

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	2.78	-	0.00	-	-	2.78
(ii) Others	107.11	8.15	0.00	-	0.01	115.27
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	109.89	8.15	0.00	-	0.01	118.05

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 20 CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES (Contd.)

Trade Payables Ageing Schedule as at March 31, 2023

(₹ in Crores)

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	1.74	0.02	-	-	-	1.76
(ii) Others	122.74	2.75	-	0.01	0.01	125.51
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	124.48	2.77	-	0.01	0.01	127.27

Note: Disclosures as required under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act)

The amounts due to Micro and Small Enterprises as defined in the 'The Micro, Small and Medium Enterprises Development Act, 2006' has been determined to the extent such parties have been identified on the basis of information available with the Group. This has been relied upon by the auditors.

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
a) The principal amount remaining unpaid to any supplier at the end of the year	2.78	1.76
b) Interest due remaining unpaid to any supplier at the end of the year	-	-
c) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
d) The amount of interest due and payable for the delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
e) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
f) The amount of further interest remaining due and payable even in the succeeding years until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

NOTE 21 CURRENT FINANCIAL LIABILITIES - LEASE LIABILITIES

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Financial liabilities (at amortised cost except otherwise stated):		
Financial Lease Liabilities	2.27	2.96
Total	2.27	2.96

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 22 CURRENT FINANCIAL LIABILITIES - OTHERS

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Financial liabilities (at amortised cost except otherwise stated):		
Security Deposits	6.78	6.13
Unclaimed dividends (Refer Note (a) below)	3.73	3.81
Payables for capital supplies	4.03	2.20
Salary, wages and bonus payable	9.45	9.70
Contribution payable towards employee benefits	2.59	2.31
Mark to Market on outstanding forward contracts (at FVTPL)	0.16	-
Other payables	1.60	1.60
Total	28.34	25.75

Note:

- (a) There are no amounts due for payment to the Investor Education and Protection Fund under section 125 of the Companies Act, 2013 at the end of the current and previous financial year.

NOTE 23 OTHER CURRENT LIABILITIES

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Advances received from customers	2.85	2.16
Statutory remittances	9.54	7.81
Other liabilities	0.21	0.19
Total	12.60	10.16

NOTE 24 CURRENT PROVISIONS

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for employee benefits (Refer Note 40)	-	
- Gratuity	0.33	0.28
- Leave Encashment	3.74	3.82
- Others	0.34	0.82
Total	4.41	4.92

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 25 REVENUE FROM OPERATIONS

(₹ in Crores)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Sale of goods (at contracted price)	1,437.31	1,610.77
Other operating revenues		
Sale of scrap	1.67	1.24
Profit on Sale of Raw Material	-	0.05
Duty drawback and other export incentives	3.45	2.13
Cash Discounts Received	0.24	0.20
Excess provision for earlier years written back	1.78	1.42
Miscellaneous income	0.21	0.76
Total	1,444.67	1,616.57

NOTE 26 OTHER INCOME

(₹ in Crores)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
a) Interest Income on		
- Bank deposits	1.79	2.32
- Non Convertible Debentures	14.14	1.65
- VAT Refund	0.40	0.09
- Other Deposits	0.36	0.31
	16.69	4.37
b) Dividend income from		
- Equity investments	0.02	0.03
	0.02	0.03
c) Other gains and losses		
- Net gain arising on short term financial investments mandatorily measured at FVTPL	1.11	0.37
- Net gain arising on Non Convertible Debentures measured at amortised cost through effective interest method	1.98	0.27
- Net foreign exchange gain	0.19	-
	3.28	0.64
d) Other non-operating income		
- Rent from investment property / Others	0.37	0.41
- Profit on Sale of Assets, Profit on Sale Of Property, Plant & Equipment sold/scrapped/written off (Net)	17.43	-
- Miscellaneous income	0.60	0.02
- Income from Redemption of Mutual Fund / Others	0.97	0.77
	19.37	1.20
Total	39.36	6.24

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 27 COST OF MATERIALS CONSUMED

(₹ in Crores)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening stock	120.07	191.19
Add: Purchases (Net)	748.65	837.60
	868.72	1,028.79
Less: Closing stock	85.71	120.07
Total	783.01	908.72

NOTE 28 CHANGES IN STOCK OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

(₹ in Crores)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Closing stock		
- Finished goods	89.75	121.70
- Work in progress	33.68	29.80
- Stock-in-trade	0.52	0.49
	123.95	151.99
Opening stock		
- Finished goods	121.70	106.23
- Work in progress	29.80	20.80
- Stock-in-trade	0.49	0.71
	151.99	127.74
Net (Increase) / Decrease in Inventories	28.04	(24.25)

NOTE 29 EMPLOYEE BENEFITS EXPENSE

(₹ in Crores)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries, wages and bonus	77.17	73.37
Contribution to provident and other funds (Refer Note 40)	5.83	5.33
Employee Share based payment (Refer Note 38)	0.78	1.38
Staff welfare expenses	8.33	7.39
Total	92.11	87.47

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 30 FINANCE COSTS

(₹ in Crores)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest cost - on financial liability		
a) Borrowings from banks	0.06	0.14
b) Lease liability	0.95	0.67
c) Security deposits and others	0.61	0.39
Total	1.62	1.20

NOTE 31 DEPRECIATION AND AMORTISATION EXPENSES

(₹ in Crores)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation on Property, Plant and Equipment (Refer Note 3)	44.00	47.13
Depreciation on Right of Use Assets (Refer Note 3(A))	8.21	7.89
Depreciation on Investment Properties (Refer Note 4)	0.02	0.02
Amortisation on Intangible Assets (Refer Note 5)	0.56	0.64
Total	52.79	55.68

NOTE 32 OTHER EXPENSES

(₹ in Crores)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Power & Fuel oil consumed	154.15	187.68
Processing charges	21.55	21.44
Selling and Distribution expenses	49.23	54.78
Consumption of packing materials	16.35	21.28
Stores and spares consumed	18.28	19.21
Rent (including lease rentals)	0.07	0.06
Repairs and maintenance:		
- Plant & machinery	18.73	19.24
- Buildings	4.82	3.40
- Others	0.47	0.40
Insurance charges	4.84	4.99
Rates and taxes	2.66	2.95
Loss on Property, Plant & Equipment sold/scrapped/written off (Net)	-	0.16
Expenses on corporate social responsibility	3.64	3.51
Net Foreign Exchange Loss	-	1.24
Provision for Doubtful Debts	-	0.76
Bad Debts written off	-	0.02
Other General Expenses	47.68	47.57
Total	342.47	388.69

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 33 CURRENT TAX AND DEFERRED TAX

(a) Income Tax Expense recognised in Statement of Profit and Loss

(₹ in Crores)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Current Tax:		
Current Income Tax Charge	39.89	49.14
Adjustments in respect of prior years	(0.04)	0.31
Total	39.85	49.45
Deferred Tax		
In respect of current year	7.15	3.49
Total	7.15	3.49
Total tax expense recognised in Statement of Profit and Loss	47.00	52.94

(b) Income Tax recognised in other Comprehensive Income

(₹ in Crores)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Deferred Tax (Liabilities)/Assets:		
Remeasurement of Defined Benefit Obligations	0.06	(0.09)
Net fair value (gain) / loss on investments in equity shares at FVTOCI	(6.97)	(0.49)
Total	(6.91)	(0.58)

(c) Reconciliation of income tax expense and the accounting profit multiplied by Company's domestic tax rate:

(₹ in Crores)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit before tax	179.98	202.09
Less: Income taxed at different tax rate	0.91	1.19
Profit before tax	179.07	200.90
Income Tax using the Company's domestic Tax rate #	45.81	51.06
Effect of expenses that are not deductible in determining taxable profit	(1.83)	(2.12)
Effect of expenditure eligible for weighted deduction / expenditure not debited to Profit and Loss but allowed as deduction	2.64	2.25
Effect of reversal of deferred tax liability (Net)	0.12	1.12
Effect of income taxed at different rate	0.30	0.32
Adjustments in respect of prior years	(0.04)	0.31
Income tax expense recognised in Statement of Profit and Loss	47.00	52.94

The tax rate used for the reconciliations above is the corporate tax rate plus surcharge (as applicable) on corporate tax, education cess and secondary and higher education cess on corporate tax, payable by corporate entities in India on taxable profits under Income Tax Act, 1961.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 33 CURRENT TAX AND DEFERRED TAX (Contd.)

(d) Movement of Deferred Tax

Deferred tax (assets)/liabilities in relation to the Year Ended March 31, 2024

(₹ in Crores)

Particulars	Opening Balance	Recognised in statement of Profit and Loss	Recognised in OCI	Closing Balance
Property, Plant and Equipment, Investment properties and Intangible assets	116.05	6.56	-	122.61
Financial asset measured at FVTOCI	(1.47)	0.77	6.97	6.27
Financial asset measured at FVTPL	0.17	-	-	0.17
Defined benefit obligation	(5.01)	0.33	(0.05)	(4.72)
Provision for doubtful debts / advances	(0.81)	-	-	(0.81)
Payment for voluntary retirement scheme	(0.01)	-	-	(0.01)
Other non financial assets	1.93	(0.51)	-	1.42
Net Tax (Assets)/Liabilities	110.85	7.15	6.92	124.93

Deferred tax (assets)/liabilities in relation to the Year Ended March 31, 2023

(₹ in Crores)

Particulars	Opening Balance	Recognised in statement of Profit and Loss	Recognised in OCI	Closing Balance
Property, Plant and Equipment, Investment properties and Intangible assets	112.52	3.53	-	116.05
Financial asset measured at FVTOCI*	(1.96)	(0.00)	0.49	(1.47)
Financial asset measured at FVTPL	0.09	0.08	-	0.17
Defined benefit obligation	(5.16)	0.06	0.09	(5.01)
Provision for doubtful debts / advances	(0.81)	-	-	(0.81)
Payment for voluntary retirement scheme	(0.01)	-	-	(0.01)
Other non financial assets	2.12	(0.19)	-	1.93
Net Tax (Assets)/Liabilities	106.79	3.48	0.58	110.85

* Amount less than ₹ 0.01 Crores

NOTE 34 EARNINGS PER SHARE

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
1. Calculation of weighted average number of equity shares - Basic		
(a) Number of equity shares at the beginning of the year (in units)	16,66,42,855	16,65,73,855
(b) Number of equity shares issued during the year (in units)	2,850	69,000
(c) Number of equity shares outstanding at the end of the year (in units)	16,66,45,705	16,66,42,855
(d) Weighted number of equity shares outstanding during the year (in units)	16,66,45,394	16,66,24,005

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 34 EARNINGS PER SHARE (Contd.)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
2. Calculation of weighted average number of equity shares - Diluted		
(a) Number of potential equity shares at the beginning of the year (in units)	16,80,09,380	16,77,02,480
(b) Number of potential equity shares outstanding at the end of the year (in units)	16,80,09,380	16,80,09,380
(c) Weighted number of potential equity shares outstanding during the year (in units)	16,72,19,901	16,71,25,006
3. Profit for the year (₹ in Lacs)	133	149
(a) Basic Earnings per share of ₹ 10/- each (3/1(d))	7.98	8.95
(b) Diluted Earnings per share of ₹ 10/- each (3/2(c))	7.95	8.92

NOTE 35 LEASES

Operating lease arrangements

Group as lessee

The Group has entered into operating lease arrangements for certain premises (residential, offices, godowns etc.) and plant and machineries. These lease arrangements are ranging between 11 months to 60 months generally or longer and are renewable by mutual consent or mutually agreeable terms.

The specified disclosure in respect of these agreements is given below:

(₹ in Crores)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Charged to Statement of Profit and Loss	0.07	0.06
Future Minimum Lease rentals Payable under non-cancellable operating leases are as follows:		
Within one year	0.04	0.06
After one year but not more than five years	-	-
More than five years	-	-

Schedule of maturity analysis of lease liabilities

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Within one year	3.87	3.60
After one year but not more than five years	11.68	7.77
More than five years	-	-
Total	15.55	11.37

Group as lessor

The Group has given certain buildings on operating lease. The lease arrangements for 11 months to 60 months are cancellable and are generally renewable by mutual consent or mutually agreeable terms. The rental income of ₹ 0.26 Crores (Previous year ₹ 0.31 Crores) on such lease is included in Other Income - Rent from Investment Property / Other under Note 26(d).

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 36 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Contingent liabilities :		
Claims against the Group not acknowledged as debts (including Direct and Indirect Taxes)	29.74	41.17
(b) Commitments :		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	10.74	6.63

The Group did not have any long-term contracts including derivative contracts for which any provision was required for foreseeable losses.

NOTE 37 DETAILS OF EXPENDITURE AND INCOME ON INHOUSE APPROVED RESEARCH AND DEVELOPMENT (R & D) FACILITY

(₹ in Crores)

Particulars (as defined and bifurcated by the Management of the Group)	As at March 31, 2024	As at March 31, 2023
(i) Capital Expenditure		
(a) Capital Equipments	0.24	0.71
(ii) Revenue expenditure		
(a) Salaries / wages	5.38	4.45
(b) Travelling & Conveyance Expenses	0.23	0.21
(c) Repairs & Maintainance	0.50	0.43
(d) Communication Expenses	0.01	0.01
(e) Materials / Consumables	0.32	0.30
(f) Housekeeping	0.06	0.03
(g) Others	0.27	0.28
(h) Depreciation	0.42	0.42
Total Revenue Expenditure (a) to (h)	7.19	6.13
(iii) Total R & D Expenditure (i+ii)	7.43	6.84
(iv) Amount received by R & D Facilities	-	-
(v) Net Amount of R & D Expenditure	7.43	6.84

NOTE 38 SHARE BASED PAYMENTS

38.1 Details of the employee share option plan of the Group

The Group has constituted an Employee Stock Option Plan 2007 (as amended from time to time), as approved by shareholders at a previous Annual General Meeting. The scheme is applicable to all permanent and full-time employees, excluding the employees who are the promoters of the Group. The Nomination and Remuneration Committee, at its sole discretion, shall decide who among those employees shall receive Employee Stock Options in a particular grant.

Each employee share option converts into one equity share of the Group company on exercise. No amounts are paid or payable by the recipient on receipt of the option. The options carry neither rights to dividends nor voting rights. These options vest 25% every year ('graded vesting'). The options granted can be exercised at any time until completion of

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 38 SHARE BASED PAYMENTS (Contd.)

ten years from the date of grant, subject to the vesting schedule. Any options remaining unexercised at the end of the exercise period shall lapse.

The number of options granted is calculated in accordance with the performance-based formula approved by the shareholders at a previous Annual General Meeting and is subject to approval by the Nomination and Remuneration Committee.

The share-based payments to employees being equity-settled are measured at the fair value of the equity instruments at the grant date. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest with a corresponding increase in equity.

Share options outstanding at the end of the year after forfeiture have the following expiry dates, exercise prices and fair value:

Grant series and grant year	Expiry Year	Exercise price ₹	Fair value ₹	March 31, 2024	March 31, 2023
				Number of options	Number of options
Grant 5 - 2015-16	2025-26	37.65	16.27	44,750	44,750
Grant 6 - 2016-17	2026-27	52.85	19.44	56,050	56,050
Grant 7 - 2016-17	2026-27	84.05	28.74	4,22,925	4,22,925
Grant 8 - 2017-18 *	2027-28	188.35	69.28	2,59,950	2,59,950
Grant 9 - 2018-19 *	2028-29	142.45	46.27	2,73,100	2,75,950
Grant 10 - 2022-23	2032-33	231.70	87.35	3,06,900	3,06,900
Total				13,63,675	13,66,525
Weighted average remaining contractual life of options outstanding at the end of year				4.91	5.91

* 9,500 and 15,600 options from Grant 8 and Grant 9 respectively have been forfeited on account of resignation

Fair value of share options granted in the year:

The weighted average fair value of the share options granted during the financial year is ₹ Nil (Previous year: ₹ 87.35). Options were priced using a Black-Scholes option pricing model which takes into account the exercise price, expected volatility, option's life, the share price at grant date, expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

(₹ in Crores)		
Inputs into the model	March 31, 2024	March 31, 2023
Grant date	Not Applicable	April 28, 2022
Exercise price (₹)		231.70
Expected volatility (%)		45%
Expected life of the options		10 Years
Expected dividend (%)		1.95%
Risk free interest rate (%)		6.69%
Expiry Date		April 28, 2032

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 38 SHARE BASED PAYMENTS (Contd.)

Basis of assumptions:

1. The risk free interest rates are determined based on the zero-coupon sovereign bond yields with maturity equal to the expected term of the option.
2. The expected volatility was determined based on the volatility of the equity share for the period of one year prior to the issue of the options. Volatility calculation is based on historical stock prices using standard deviation of daily change in stock price. The historical period is taken into account to match the expected life of the option.
3. Dividend yield has been calculated taking into account expected rate of dividend on equity share price as on grant date.

Movement of Options Granted along with weighted average exercise price (WAEP)

(₹ in Crores)

Particulars	Year ended March 31, 2024		Year ended March 31, 2023	
	Number of options	Weighted average exercise price (₹)	Number of options	Weighted average exercise price (₹)
Balance at beginning of period not exercised	13,66,525	146.04	11,28,625	124.04
Granted during the period	-	-	3,06,900	231.70
Exercised during the period	(2,850)	142.45	(69,000)	167.10
Expired during the period	-	-	-	-
Balance at end of period	13,63,675	146.05	13,66,525	146.04
Exercisable at the end of the year	11,33,500		10,59,625	

The weighted average share price at the dates of exercise of options exercised during the year ended March 31, 2024 was ₹ 252.28 (year ended March 31, 2023 : ₹ 230.58).

NOTE 39 SEGMENT INFORMATION

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Group. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Managing Director and CFO of the Group. The Group operates only in one Business Segment i.e. rubber chemicals, hence does not have any reportable Segments as per Ind AS 108 "Operating Segments".

Segment information for Secondary segment reporting (by geographical segment).

The Group has two reportable geographical segments based on location of customers.

- (i) Revenue from customers within India - Domestic
- (ii) Revenue from customers outside India - Foreign

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 39 SEGMENT INFORMATION (Contd.)

I. Revenue by Geographical Markets

(₹ in Crores)

Particulars	Revenue from operations		Non-Current Assets	
	For the year ended March 31, 2024	For the year ended March 31, 2023	As at March 31, 2024	As at March 31, 2023
India	972.21	1,125.27	1,039.30	975.81
Outside India	472.46	491.30	-	-
Total	1,444.67	1,616.57	1,039.30	975.81

II. Revenue from Major products:

(₹ in Crores)

Particulars	Revenue from operations	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Rubber Chemicals	1,426.85	1,603.27
Others	17.82	13.30
Total	1,444.67	1,616.57

NOTE 40 EMPLOYEE BENEFIT PLANS

1) Defined contribution plans :

The Group participates in a number of defined contribution plans on behalf of relevant personnel. Any expense recognised in relation to these schemes represents the value of contributions payable during the period by the Group at rates specified by the rules of those plans. The only amounts included in the balance sheet are those relating to the prior months contributions that were not due to be paid until after the end of the reporting period.

The major defined contribution plans operated by the Group are as below:

a) Provident fund and Pension

In accordance with the Employee's Provident Fund and Miscellaneous Provisions Act, 1952, eligible employees of the Group are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Group make monthly contributions at a specified percentage of the covered employees' salary. The contributions, as specified under the law, are made to the provident fund administered and managed by Government of India. The Group has no further obligations under the fund managed by the Government of India beyond its monthly contributions which are charged to the Statement of Profit and Loss in the period in which they are incurred. The benefits are paid to employees on their retirement or resignation from the Group.

b) Superannuation fund

The Group holds two in-house superannuation funds which appropriates funds to Life Insurance Corporation of India (the insurer) at the time of retirement/resignation of employee. The pension annuity is met by the Insurer as required, taking into consideration the contributions made. The Group has no further obligations under the scheme beyond its periodic contributions which are charged to the Statement of Profit and Loss in the period in which they are incurred.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 40 EMPLOYEE BENEFIT PLANS (Contd.)

Contribution to Defined Contribution Plans, recognised in the Statement of Profit and Loss for the year under employee benefits expense, are as under :

Particulars	(₹ in Crores)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
i) Employer's Contribution to Provident Fund and Pension	3.41	2.99
ii) Employer's Contribution to Superannuation Fund	0.58	0.67
Total	3.99	3.66

2) Defined Benefit Plans:

a) Gratuity (Funded)

The Group has an obligation towards gratuity, a funded defined benefit retirement plan covering all employees. The plan provides for lump sum payment to vested employees at retirement, death while in employment or on termination of the employment of an amount equivalent to 15 days salary, as applicable, payable for each completed year of service subject to payment ceiling of ₹ 20 Lacs. Vesting occurs upon completion of five years of service. The Group makes annual contributions to gratuity funds established by various in-house funds managed by NOCIL Employees Trust Funds as disclosed in related party transaction (Refer Note 41). The Group accounts for the liability for gratuity benefits payable in the future based on an actuarial valuation using Projected Unit Credit method determined in accordance with the terms of The Payment of Gratuity Act, 1972.

b) Gratuity (Unfunded)

The Group has an obligation towards gratuity, an unfunded defined benefit retirement plan covering eligible employees. The plan provides for lump sum payment to vested employees at retirement, death while in employment or on termination of the employment of an amount equivalent to 15 days salary, as applicable, payable for each completed year of service, without any payment ceiling. Vesting occurs upon completion of five years of service. The Group accounts for the liability for gratuity benefits payable in the future based on an actuarial valuation.

The most recent actuarial valuation of the present value of the defined benefit obligation was carried out on March 31, 2024 by an independent actuary. The present value of the defined benefit obligation, and the related current service cost and past service cost were measured using the projected unit credit method.

A. Principal actuarial assumptions used:

The principal assumptions used for the purposes of the actuarial valuations were as follows.

Particulars	(₹ in Crores)	
	As at March 31, 2024	As at March 31, 2023
1. Discount rate	7.21%	7.47%
2. Salary escalation	6.00%	6.00%
3. Rate of Employee Turnover	6.00%	6.00%
4. Mortality rate	Indian Assured Lives Mortality Urban (2012-14)	Indian Assured Lives Mortality Urban (2012-14)

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 40 SHARE BASED PAYMENTS (Contd.)

B. Expenses recognised in the Statement of Profit and Loss (₹ in Crores)

Particulars	Gratuity	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Service cost:		
Current service cost	1.06	1.00
Net Interest cost	0.64	0.66
Components of defined benefit costs recognised in the Statement of Profit and Loss	1.70	1.66

The current service cost and the net interest expenses for the year are included in the 'Employee benefits expenses' line item in the Statement of Profit and Loss.

Net Interest Cost recognised in the Statement of Profit and Loss:

(₹ in Crores)

Particulars	Gratuity	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest Cost	1.89	1.88
Interest Income	(1.25)	(1.22)
Net interest cost recognised in the Statement of Profit and Loss	0.64	0.66

C. Expenses recognised in the Other Comprehensive Income (OCI)

(₹ in Crores)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Actuarial (Gains)/Losses on Obligation For the Period - Due to changes in demographic assumptions	0.20	(0.25)
Actuarial (Gains)/Losses on Obligation For the Period - Due to changes in financial assumptions	0.39	0.36
Actuarial (Gains)/Losses on Obligation For the Period - Due to experience adjustment	0.02	0.02
Return on Plan Assets, excluding Interest Income	0.24	0.26
Net Expense / (Income) recognised in OCI	0.85	0.39

D. Amount recognised in the Balance Sheet

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Present Value of Defined Benefit Obligation as at the end of the year	(22.30)	(25.31)
Fair Value of plan assets	13.75	16.76
Net Liability recognised in the Balance Sheet	(7.55)	(8.55)

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 40 SHARE BASED PAYMENTS (Contd.)

E. Movements in the present value of defined benefit obligation are as follows:

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening defined benefit obligation	25.31	26.35
Current Service Cost	1.06	1.00
Interest cost	1.89	1.88
Actuarial (gains) / losses	0.59	0.14
Benefits Paid (From the Fund)	(5.53)	(2.66)
Benefits Paid (Directly by the Employer)	(1.02)	(1.40)
Closing defined benefit obligation	22.30	25.31

F. Movements in the fair value of the plan assets are as follows:

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening fair value of the plan assets	16.77	17.08
Contributions by the Employer	1.53	1.38
Return on Plan Assets, excluding Interest Income	(0.24)	(0.26)
Interest income	1.25	1.22
Benefits paid	(5.56)	(2.66)
Closing fair value of plan assets	13.75	16.77

G. Maturity profile of defined benefit obligation:

(₹ in Crores)

Projected Benefits Payable in Future Years From the Date of Reporting	Estimated for the year ended March 31, 2024	Estimated for the year ended March 31, 2023
1 st Following Year	6.13	7.43
2 nd Following Year	1.82	4.51
3 rd Following Year	4.30	2.48
4 th Following Year	1.55	3.75
5 th Following Year	2.60	2.01
Sum of Years 6 To 10	7.98	7.54
Sum of Years 11 and above	6.86	6.70
Total expected payments	31.24	34.42

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 40 EMPLOYEE BENEFIT PLANS (Contd.)

H. Sensitivity Analysis

The Sensitivity Analysis below has been determined based on reasonably possible change of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant. These sensitivities show the hypothetical impact of a change in each of the listed assumptions in isolation. While each of these sensitivities holds all other assumptions constant, in practice such assumptions rarely change in isolation and the asset value changes may offset the impact to some extent. For presenting the sensitivities, the present value of the Defined Benefit Obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the Defined Benefit Obligation presented above. There was no change in the methods and assumptions used in the preparation of the Sensitivity Analysis from previous year.

(₹ in Crores)

Projected Benefits Payable in Future Years From the Date of Reporting	As at March 31, 2024	As at March 31, 2024
Projected Benefit Obligation on Current Assumptions		
Impact of +0.5% Change in Rate of Discounting	(0.40)	(0.39)
Impact of (0.5%) Change in Rate of Discounting	0.42	0.41
Impact of +0.5% Change in Rate of Salary Increase	0.42	0.41
Impact of (0.5%) Change in Rate of Salary Increase	(0.41)	(0.40)
Impact of +0.5% Change in Rate of Employee Turnover	0.02	0.02
Impact of (0.5%) Change in Rate of Employee Turnover	(0.02)	(0.02)

I. Expected Contribution for the next year by the Company is ₹ 1.95 Crores (previous year - ₹ 1.75 Crores)

NOTE 41 RELATED PARTY DISCLOSURES

A. Details of related parties

Description of relationship	Name of the Related Party
Key Management Personnel	
- Chairman	Mr. H. A. Mafatlal
- Managing Director	Mr. S. R. Deo (till July 31, 2023) Mr. V.S. Anand (w.e.f August 01, 2023)
- Deputy Managing Director	Mr. V.S. Anand (till July 31, 2023)
Enterprises over which Key Management Personnel and close members of key management personnel able to exercise significant influence	Mafatlal Industries Limited Vrata Tech Solutions Private Limited Sri Chaitanya Seva Trust N. M. Sadguru Water and Development Foundation BAIF Institute for Sustainable Livelihood and Development NOCIL Employee Trust Funds

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 41 RELATED PARTY DISCLOSURES (Contd.)

B. Nature of Transactions/ Names of Related Parties

(₹ in Crores)

S. No.	Particulars	Year ended March 31, 2024	Year ended March 31, 2023
A.	Enterprises over which Key Management Personnel and close members of key management personnel able to exercise significant influence*		
I	Mafatlal Industries Limited		
1	Reimbursement of Expenses	0.11	0.10
II	Vrata Tech Solutions Private Limited		
1	IT Services	1.38	0.99
2	Purchase of Property, Plant & Equipment	0.68	-
III	Sri Chaitanya Seva Trust		
1	Expenditure on CSR Activities	1.40	1.40
IV	N. M. Sadguru Water and Development Foundation		
1	Expenditure on CSR Activities	0.40	0.50
V	BAIF Institute for Sustainable Livelihood and Development		
1	Expenditure on CSR Activities	-	0.15
VI	NOCIL Employee Trust Funds		
1	Contributions paid to funds	3.14	1.98
2	Post Employment Benefits paid on behalf of Trust	11.64	3.91
B.	Key Management Personnel #		
1	Short-term employee benefits	8.86	9.40
2	Post-employment benefits	0.71	1.00
3	Share-based payment	0.21	0.43

* The transactions with related parties are made in the normal course of business and on terms equivalent to those that prevail in arm's length transactions. All the Related Party Transactions are reviewed and approved by the Audit Committee.

Based on the recommendation of the Nomination and Remuneration Committee, all decisions relating to the remuneration of the Directors are taken by the Board of Directors of the Company, in accordance with shareholders' approval, wherever necessary.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 41 RELATED PARTY DISCLOSURES (Contd.)

C. Amounts outstanding with related parties

(₹ in Crores)

S. No.	Particulars	As at March 31, 2024	As at March 31, 2023
A.	Enterprises over which Key Management Personnel and close members of Key Management Personnel able to exercise significant influence		
I	Mafatlal Industries Ltd.		
1	Trade Payable	0.01	0.01
II	Vrata Tech Solutions Private Limited		
1	Trade Payable	0.01	0.05
2	Advance Given	0.04	-
III	NOCIL Employee Trust Funds		
1	Contributions Payable to Funds	2.59	2.31
IV	Key Management Personnel	3.46	4.58

Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. No guarantees have been given or received.

NOTE 42 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

42.1 Capital management

The capital structure of the Group consists of net debt and total equity of the Group. The Group manages its capital to ensure that the Group will be able to continue as going concern while maximising the return to stakeholders through an optimum mix of debt and equity within the overall capital structure. The Group's risk management committee reviews the capital structure of the Group considering the cost of capital and the risks associated with each class of capital.

42.2 Categories of financial instruments

The following table provides categorisation of all financial instruments at carrying value.

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Financial assets		
Measured at FVTPL		
Mandatorily measured:		
(a) Mutual Fund Investments	41.76	27.77
Measured at amortised cost		
(a) Cash and Cash Equivalent	91.80	23.57
(b) Bank Balance other than (a) above	3.74	33.83
(c) Trade Receivables	340.18	345.98
(d) Loans		
(d) Other Financial Assets (including Security Deposits)	18.98	14.74

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 42 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Contd.)

Particulars	As at March 31, 2024	As at March 31, 2023
(e) Inter Corporate Deposits	-	2.12
(f) Investments in equity instruments	5.88	-
Measured at amortised cost through effective interest method		
(a) Non Convertible Debentures	239.20	146.57
Measured at FVTOCI		
(a) Investments in Equity Instruments	112.56	41.90
Total Financial Assets	854.10	636.47
Financial liabilities		
Measured at FVTPL		
(a) Other Financial Liabilities	0.16	-
Measured at amortised cost		
(a) Trade Payables	118.05	127.27
(b) Financial Lease Liabilities	13.13	9.79
(c) Other Financial Liabilities	28.19	25.75
Total Financial Liabilities	159.53	162.81

42.3 Financial risk management objectives

The Group's Corporate Treasury function provides services to the business, co-ordinates access to domestic financial markets, monitors and manages the financial risks relating to the operations of the Group through internal risk assessment and analyses forex exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Group seeks to minimise the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives is governed by the Group's Risk Management Policy approved by the Board of Directors, which provide written principles on foreign exchange risk, interest rate risk, the use of financial derivatives and non-derivative financial instruments. Compliance with policies and exposure limits is reviewed on a continuous basis. The Group does not enter into or trade in financial instruments, including derivative financial instruments, for speculative purposes.

42.4 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of Currency risk, Interest rate risk and other price risk. The Group enters into a board approved list of derivative financial instruments to manage its exposure to foreign currency risk, including but not limited to foreign currency forwards and currency options.

42.5 Foreign currency risk management

The Group undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arises. Exchange rate exposures are managed within approved policy parameters utilising appropriate derivative instruments.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 42 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Contd.)

The carrying amounts of the Group's foreign currency denominated financial assets and financial liabilities at the end of the reporting period are as follows:

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
A. USD Currency:		
Financial Liabilities		
In USD million	4.60	2.87
Equivalent in ₹ Crores	38.40	23.53
Financial Assets		
In USD million	11.21	11.72
Equivalent in ₹ Crores	93.48	96.11
B. Euro Currency:		
Financial Liabilities		
In Euro million	-	0.001
Equivalent in ₹ Crores	-	0.01
Financial Assets		
In Euro million	0.42	0.48
Equivalent in ₹ Crores	3.74	4.31

42.5.1 Foreign currency sensitivity analysis in relation to the net foreign exchange exposure as at the balance sheet date

The Group is mainly exposed to the foreign exchange fluctuation in USD.

The following table details the Group's sensitivity to a 5% increase and decrease in the Indian Rupee against USD. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. This is mainly attributable to the exposure outstanding on receivables and payables in the Group at the end of the reporting period. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. A positive number below indicates an increase in the profit or equity where the Indian Rupee weakens 5% against the relevant currency due to positive net Financial Assets at the end of the current period. For a 5% strengthening of the Rupee against the relevant currency, there would be a comparable reverse impact on the profit or equity.

(₹ in Crores)

Particulars	USD Currency Impact	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Impact on Statement of Profit and Loss for the year		
5% strengthening against US Dollar	(2.75)	(3.63)
5% weakening against US Dollar	2.75	3.63

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 42 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Contd.)

42.5.2 Derivative Financial Instruments

The Group has entered into foreign currency options and forward contracts to manage its exposure to fluctuations in foreign exchange rates on foreign currency receivables and payables. Fair value of derivative financial instruments are determined using valuation techniques based on information derived from observable market data.

There are no derivative financial instruments outstanding at the end of the current and previous reporting year.

(₹ in Crores)			
Financial Assets / (Financial Liabilities)	Particulars	As at March 31, 2024	As at March 31, 2023
Derivative Assets / (Liabilities) measured at FVTPL:			
(i) Forward contracts	Notional value (USD Mn) - Sell position	6.73	-
	No. of Contracts	33.00	-
	Fair value (₹ in Lacs)	(0.16)	-
Fair Value Hierarchy			
	Level 2		
Valuation technique(s)			
	Discounted Cash Flow		
Key input			
	Future cash flows are estimated based on forward exchange rates (from observable forward exchange rates at the end of the reporting period) and contract forward rates, discounted at a rate that reflects the credit risk of various counter parties.		

42.6 Interest rate risk management

The Group does not have interest rate risk exposure as there are no outstanding loans as at the year end.

42.7 Other price risks

The Group is exposed to price risks arising from mutual funds and equity investments other than investments in subsidiary.

Equity price risk is related to change in market reference price of investments in equity securities held by the Group. The fair value of quoted investments held by the Group exposes the Group to equity price risks. In general, these investments are not held for trading purposes.

The Group manages the surplus funds majorly through combination of investments in debt based / arbitrage / equity oriented mutual fund schemes and fixed deposits. The price of investment in these mutual funds is the Net Asset Value (NAV) declared by the Asset Management Company on daily basis as reflected by the movement in the NAV of invested schemes. The Group is exposed to price risk on such Investment schemes.

Mutual fund investments are susceptible to market price risk, mainly arising from changes in the interest rates or market yields which may impact the return and value of such investments. However, due to the very short tenor of the underlying portfolio in the liquid schemes, these do not hold any significant price risks.

42.7.1 Equity price sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to equity price risks at the end of the reporting period.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 42 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Contd.)

If investment in equity prices had been 5% higher / lower, the other comprehensive income for the year ended March 31, 2024 would increase/decrease by ₹ 5.61 Crores (Previous year: increase/decrease by ₹ 2.09 Crores) as a result of the changes in fair value of equity investments measured at FVTOCI.

42.7.2 Mutual fund price sensitivity analysis

The sensitivity analysis below have been determined based on Mutual Fund Investment at the end of the reporting period. If NAV has been 1% higher / lower, the profit for year ended March 31, 2024 would increase / decrease by ₹ 0.36 Crores (Previous year: increase / decrease by ₹ 0.20 Crores) as a result of the changes in fair value of mutual funds.

42.8 Credit risk management

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Group periodically assesses financial reliability of customers and other counter parties, taking into account the financial condition, current economic trends, analysis of historical bad debts and ageing of financial assets. Individual risk limits are set and periodically reviewed on the basis of such information.

For trade and other receivables, credit evaluation is performed on the financial condition of accounts receivable using independent ratings where available or by assessment of the customer's credit quality based on its financial position, past experience and other factors. The maximum exposure to credit risk in respect of the above at the reporting date is the carrying value of financial assets recorded in the financial statements, net of any allowance for losses. Based on the historical data, since loss on collection of receivable is not material, no additional provision is considered.

Trade receivables consist of a large number of customers, spread across the country comprising primarily dealers and manufacturers.

The average credit period on sales of goods is ranging between 60 to 90 days. The Group's trade and other receivables consists of a large number of customers, hence the Group is not exposed to concentration risk.

The ageing analysis of trade receivables as of the reporting date is as follows:

Refer **Note 11** for Ageing analysis of Trade Receivables.

42.9 Liquidity risk management

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as and when required. The Treasury Risk Management Policy includes an appropriate liquidity risk management framework for the management of the short-term, medium-term and long term funding and cash management requirements. The Group manages the liquidity risk by maintaining adequate cash reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. The Group invests its surplus funds mainly in bank fixed deposits and mutual funds which carry no / negligible mark to market risks.

42.9.1 Liquidity risk table

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The tables include principal cash flows along with interest. The contractual maturity is based on the earliest date on which the Group may be required to pay.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 42 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Contd.)

(₹ in Crores)

Particulars	Upto 1 year	1-5 years	5+years
March 31, 2024			
Trade Payables (including MSME payables)	118.04	0.01	-
Other Financial Liabilities	28.19	-	-
Total	146.23	0.01	-
March 31, 2023			
Trade Payables (including MSME payables)	127.25	0.02	-
Other Financial Liabilities	25.75	-	-
Total	153.00	0.02	-

NOTE 43 FAIR VALUE MEASUREMENTS

This note provides information about how the Group determines fair values of various financial assets and financial liabilities.

43.1 Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis

Some of the Group's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used).

(₹ in Crores)

Financial Assets / (Financial Liabilities)	As at March 31, 2024	As at March 31, 2023	Fair value hierarchy	Valuation technique(s) and key input(s)
a) At FVTPL:				
(i) Investments in Mutual funds	41.76	27.77	Level 2	Fair value of investments in Mutual Funds is based on Net asset value (NAV) declared by mutual fund houses at the reporting date.
(iii) Other Financial Liabilities	0.16	-	Level 2	MTM of derivative instrument is provided by the bankers as at the reporting date
b) At FVTOCI:				
Investments in equity instruments (quoted) (see note below)	112.56	41.90	Level 1	Quoted bid prices in an active market

Note: These investments in equity instruments are not held for trading. Instead, they are held for medium or long-term strategic purpose. Upon the application of Ind AS 109, the Group has chosen to designate these investments in equity instruments as at FVTOCI as the Management believe that this provides a more meaningful presentation for medium or long-term strategic investments, than reflecting changes in fair value immediately in the Statement of Profit and Loss.

There were no transfers between Level 1 and 2 in the period.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 43 FAIR VALUE MEASUREMENTS (Contd.)

43.2 Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

Except as detailed in the following table, the Group considers that the carrying amounts of financial instruments recognised in the financial statements approximate their fair values.

(₹ in Crores)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial Assets held at amortised cost:				
Cash and Cash Equivalent	91.80	91.80	23.57	23.57
Other Bank Balance	3.74	3.74	33.83	33.83
Trade Receivables	340.18	340.18	345.98	345.98
Other Financial Assets	18.98	18.98	14.74	14.74
Inter Corporate Deposits	-	-	2.12	2.12
Investments in equity instruments	5.88	5.88	-	-
Financial Assets held at amortised cost through effective interest method:				
Non Convertible Debentures	239.20	239.20	146.57	146.57
Financial Liabilities held at amortised cost:				
Trade Payables	118.05	118.05	127.27	127.27
Financial Lease Liabilities	13.13	13.13	9.79	9.79
Other Financial Liabilities	28.19	28.19	25.75	25.75

NOTE 44 DISCLOSURE AS PER SECTION 186 OF THE COMPANIES ACT, 2013

The details of loans, guarantees and investments under Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 are as follows:

- Details of Investments made by the Group are given in Note 6 and 10 in the consolidated financial statement.
- There are no loans, securities and guarantees given / provided during the year.

NOTE 45 SUBSEQUENT EVENTS

There are no significant subsequent events that would require adjustments or disclosures in the consolidated financial statement between the Balance Sheet date and the date of signing of accounts.

NOTE 46

The Group has complied with number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of layers) Rules, 2017.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 47

The Group has not advanced any funds or loaned or invested by the Group to or in any other person(s) or entities, including foreign entities ("Intermediaries"), with the understanding that the intermediary shall whether directly or indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the Group (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of ultimate beneficiaries.

The Group has not received any funds from any person(s) or entities including foreign entities ("Funding Parties") with the understanding that such Group shall whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or provide guarantee, security or the like on behalf of the Ultimate beneficiaries.

NOTE 48

The Group has not granted Loans or Advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person during the year.

NOTE 49

The Group had borrowings from banks on the basis of security of current assets during the current year and previous year to whom quarterly statements of current assets were filed by the Group, which are in agreement with the books of accounts.

The Group had no borrowings from financial institutions during the current year and previous year.

NOTE 50

The Group has earned profits in the current financial year, the current assets are more than the current liabilities and there are accumulated profits as on the balance sheet date. Hence, the financial statements have been prepared on going concern basis.

NOTE 51 SHARE OF ENTITIES IN GROUP

(₹ in Crores)

Name of the Entity in the Group	Net Assets, i.e. total assets minus total liabilities		Share in profit or loss	
	As a % of consolidated net assets	Amount ₹ in Crores	As a % of consolidated profit and loss	Amount ₹ in Crores
Parent				
NOCIL Limited	100%	1,684.95	100%	1,540.26
Subsidiary - Indian				
PIL Chemicals Limited	2%	39.02	2%	37.20
Inter Company Elimination	(2%)	(25.39)	(2%)	(25.33)
Total	100%	1,697.58	100%	1,552.13

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024 (Contd.)

NOTE 52 NO TRANSACTIONS TO REPORT AGAINST THE FOLLOWING DISCLOSURE REQUIREMENTS AS NOTIFIED BY MCA PURSUANT TO AMENDED SCHEDULE III :

- (a) As on March 31, 2024, The Group has not been declared wilful defaulter by any bank/ financial institution or other lender.
- (b) The Group is not engaged in the business of trading or investing in crypto currency or virtual currency.
- (c) The Group does not have any charges or satisfaction yet to be registered with the Registrar of Companies (ROC) beyond the statutory period as at March 31, 2024.
- (d) No proceedings have been initiated or are pending against the Group as on March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (e) The Group does not have any transaction with companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956.

In terms of our report attached.

For Kalyaniwalla & Mistry LLP
Chartered Accountants
Firm Reg. No. 104607W/W100166

Daraius Z. Fraser
Partner
Membership No.: 42454

Place: Mumbai
Date: May 29, 2024

For and on behalf of the Board of Directors

Hrishikesh A. Mafatlal **D N Mungale**
Chairman Director & Chairman Audit Committee
DIN: 00009872 DIN: 00007563

Anand V.S.
Managing Director
DIN: 07918665

P. Srinivasan **Amit Vyas**
Chief Financial Officer Company Secretary

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NOTES

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