34th Annual Report
2022-23

Vinati Organics Limited

COMMITTED TO A sustainable future

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FY'23 highlights

₹2,157 crore
Revenue

29% YoY growth

YoY growth **37%**

₹595 crore
EBITDA

Forward-looking statements

Some information in this report may contain forward-looking statements which include statements regarding Company's expected financial position and results of operations, business plans and prospects etc. and are generally identified by forward-looking words such as "believe," "plan," "anticipate," "continue," "estimate," "expect," "may," "will" or other similar words. Forward-looking statements are dependent on assumptions or basis underlying such statements. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution that actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. We undertake no obligation to update or revise any forwardlooking statement, whether as a result of new information, future events, or otherwise.

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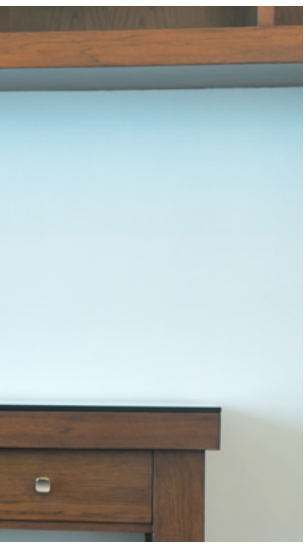

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₹458 crore

Profit after tax

32%

YoY growth

For over three decades, Vinati Organics Limited has been a leading force in the Indian and Global specialty chemicals industry, creating lasting value for investors, customers, employees, suppliers, and communities alike.

VOL's outstanding success stems from a robust business model that strategically targets niche segments in global specialty chemicals. Powered by innovation, we have ventured into differentiated and high-demand products with formidable competitive moats. Backed by investments in world-class scaled manufacturing and value chain integration, our operations deliver strong and sustainable margins across our diverse product lines.

Our versatile product portfolio serves various industries, ensuring resilience in our financial performance. Even during global commodity market upheavals over the past two years, Vinati Organics Limited has demonstrated remarkable financial stability.

With trusted global relationships and an unwavering commitment to sustainability, we have established a strong brand and high-performance track record in the global chemicals market. Our strong market position enables us to explore new product opportunities and expand our global customer base with continued success.

As leaders in the Indian Chemicals space, we hold ourselves accountable to actively contribute to positive change aligned with UN Sustainable Development Goals (SDGs). We have taken decisive actions to support this important commitment, investing in initiatives such as decarbonising our electricity supply through captive solar, adopting world-leading sustainable manufacturing processes, and empowering local communities.

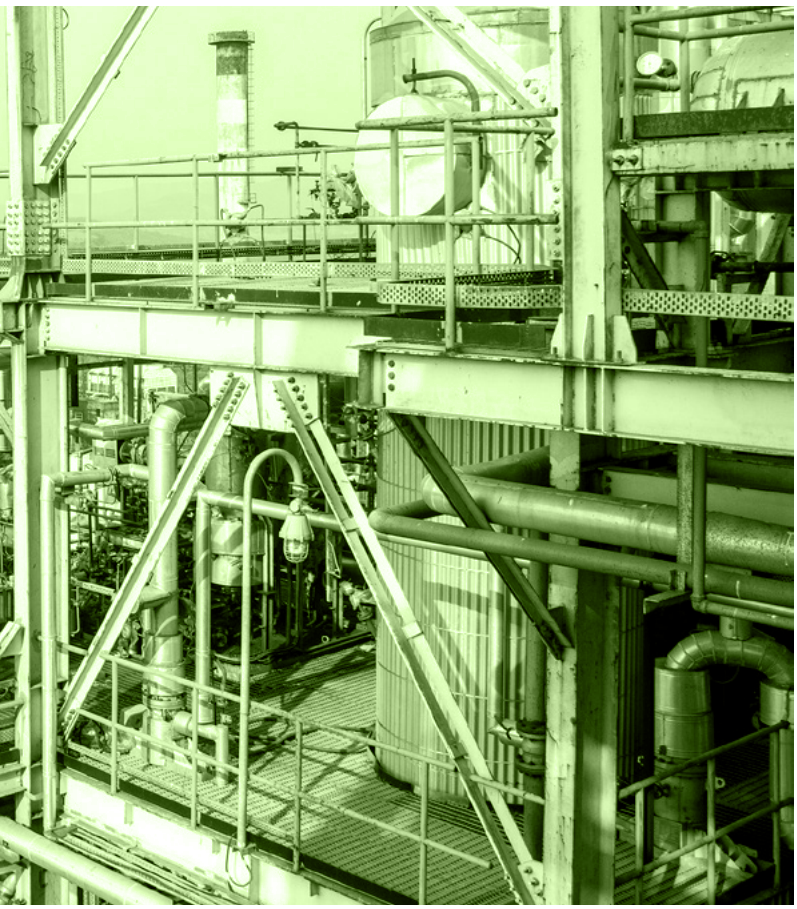
With a strong governance framework and a diverse Board of Directors, we remain dedicated to ensuring a sustainable future for all our stakeholders. Our values of transparency, ethics, and inclusivity guide us in fostering and upholding a culture of excellence and integrity.

We express our gratitude to all stakeholders for their unwavering support as we continue to build on our success in this decade. Together, we shall continue to redefine possibilities and shape a brighter and more sustainable tomorrow.

Vinati Organics Limited today

With a 30+ year legacy, Vinati Organics Limited is today a leading manufacturer of specialty chemicals globally.

We are now present in 40+ countries, serve more than 140 clients, and provide direct employment opportunities to more than 1,100 people.



Research and innovation[1]

₹ 700+ Cr
Investments in new product capacity

10+
New products added to the portfolio

19%
Today's revenue share from new products launched

Key Financials

32.6%
Annualised Total Shareholder Return [TSR] in last 5 years

26%
ROCE

₹ 7
Dividend per share

[1] In last 5 years, including VAPL investments in new capacity

Environmental and societal indicators

Environment

ZERO
Effluent discharge facilities

55%
Share of electricity consumption from renewable sources

14.5 MW
Captive solar plant; additional **11.25 MW** going live in FY24

Social

₹ 20+ Cr
Spent on CSR activities

12+
UN SDGs actively addressed

16+
Institutional partnerships to progress UN SDGs

Governance

50%
Independent directors on Board

250+ yrs
cumulative experience among the Board of Directors

50%
Share of female representatives on board; amongst top 0.5% listed companies in India with 4 or more women on BoD

Management's Perspective

Driving strong & sustainable value creation for all our stakeholders

Vinod Saraf
Chairman

> We are buoyed by the opportunity to shape India's chemicals demand evolution, while using India's scale to "make-in-India" for the world.

It is with great pleasure that we present to you Vinati Organics Limited's (VOL) annual report for the financial year 2023.

Despite global macroeconomic headwinds, India remains a bright spot in the global economy. As one of the fastest growing innovator specialty chemicals companies from India, VOL is well-positioned to cement and extend its winning position in the global chemicals market for years to come.

Domestically, the chemicals sector remains a growth hotspot and a globally attractive destination. Rising domestic demand and suitable policy frameworks have encouraged industry leaders like VOL to expand capacities and invest in innovation and operational capabilities. We are buoyed by the opportunity to shape

> At our core, we have a proven and established business and financial strategy for value creation.

India's chemicals demand evolution, while using India's scale to "make-in-India" for the world.

Throughout our journey, we have diligently cultivated a robust set of foundational capabilities, including our valuable manufacturing assets, diversified product portfolio, efficient operational processes, an all-pervasive culture of innovation, strong partnerships, and prudent capital allocation discipline. This powerful combination, along with our clear strategy to focus on niche and differentiated specialty chemicals segments, supported by strategic growth investments and operational excellence, uniquely positions us to continue driving strong and sustainable value creation for all stakeholders in our ecosystem.

In the face of numerous challenges that characterised FY23 in the global chemicals industry—geopolitical conflicts, supply chain disruptions, and a slowdown in growth globally —we take immense pride in the fact that our resilient business model has enabled us to deliver strong results even amidst such turbulent market conditions. This accomplishment further reinforces our confidence to deliver lasting success for the decades to come.

Robust performance of core portfolio

In FY23, our revenues, EBITDA and PAT increased by 29%, 37% and 32% YoY respectively. This exceptional performance demonstrates the strength of our diversified product portfolio and the strategic inclusion of innovative offerings, which have shielded us from any undue pressures on individual product margins.

Consistent with trends in the global chemicals industry, the near-term outlook for ATBS has weakened due to inventory build-up in the last two quarters of FY23. However, only the oil and gas sector, accounting for only 30-40% of ATBS consumption, is experiencing these effects.

The demand for ATBS in other sectors like personal care, mining, and water treatment, accounting for the remaining 60-70% of ATBS consumption, is expected to remain steady. We anticipate that the gradual normalisation of global ATBS inventory levels in FY24 will lead to steady overall ATBS performance. Moreover, the demand for our other key product, IBB, has been growing strongly in FY23 and is expected to sustain in FY24.

Adding new chapters to our growth story

Our core portfolio boasts a promising long-term demand outlook. We remain firmly committed to expanding our capacities, consolidating our market position, and enhancing our market share. The scheduled completion of our

Vinati Saraf Mutreja
Managing Director & CEO

We have built a global brand in the specialty chemicals industry, with sustainability as a core part of our value proposition. A multi-dimensional sustainability focus is embedded deeply in all our strategic decisions.

ATBS capacity expansion by the end of FY24 aligns with expectations of stabilised demand and prices; this should have a positive impact on our financial performance.

In parallel, we are focusing strongly to develop the new antioxidants business in Veeral Additives Private Limited (VAPL). As India's largest and one of Asia's leading antioxidants manufacturers, with backward integration up to two steps given our value chain synergies with VOL, we hold a compelling right-to-win in the global market.

With a capacity of more than twice the domestic antioxidants demand, VAPL has the strength to not just "make-in-India" for India and reduce import dependencies, but also for the world. Notably, VAPL has already initiated commercial supply of antioxidants both domestically and internationally, laying the foundations for accelerated growth in this product segment.

Furthermore, Veeral Organics Private Limited (VOPL), a fully owned subsidiary of VOL, is set to commence production of MEHQ, Guaiacol, and Iso Amylene derivatives by the end of FY24, opening new avenues for growth in the years to come. We anticipate the completion of the VOL and VAPL merger in FY24, which will further contribute to our consolidated revenues. This strategic move, coupled with the expected rise in Butyl Phenols and antioxidants demand, could offset any transient, near-term softness in ATBS.

At our core, we have a proven and established business and financial strategy for value creation. To fuel our growth journey, we remain steadfast in our commitment to investing in R&D, refining operational excellence, and driving new product and process innovations.

A sustainability-first approach

We have built a global brand in the specialty chemicals industry, with sustainability as a core part of our value proposition. A multi-dimensional sustainability focus is embedded deeply in all our strategic decisions.

With investments in a 14.5 MW captive solar plant, we already source 55% of our electricity requirements from renewable sources. We are eager to build upon this momentum with the commissioning of another 11.25 MW solar plant in FY24, further underscoring our commitment to renewables and accelerating our path towards a decarbonised future.

Innovation lies at the core of our sustainable practices. By converting solid wastes from our facilities into value-added products, we have not only minimised environmental impact but also created a competitive advantage for ourselves. Moreover, we consciously focus on sustainable chemistries and products, to create foundations for a future-ready business.

Our commitment extends beyond our operational boundaries. We remain deeply embedded in the communities we serve. Through enriching partnerships with institutions like NGOs, government agencies, and panchayats, we are fostering positive change and uplifting our local communities.

We extend our sincere gratitude to each and every member of the VOL family – our customers, suppliers, employees, investors, and communities. We remain fully committed to delivering a sustainable and rewarding future for all.

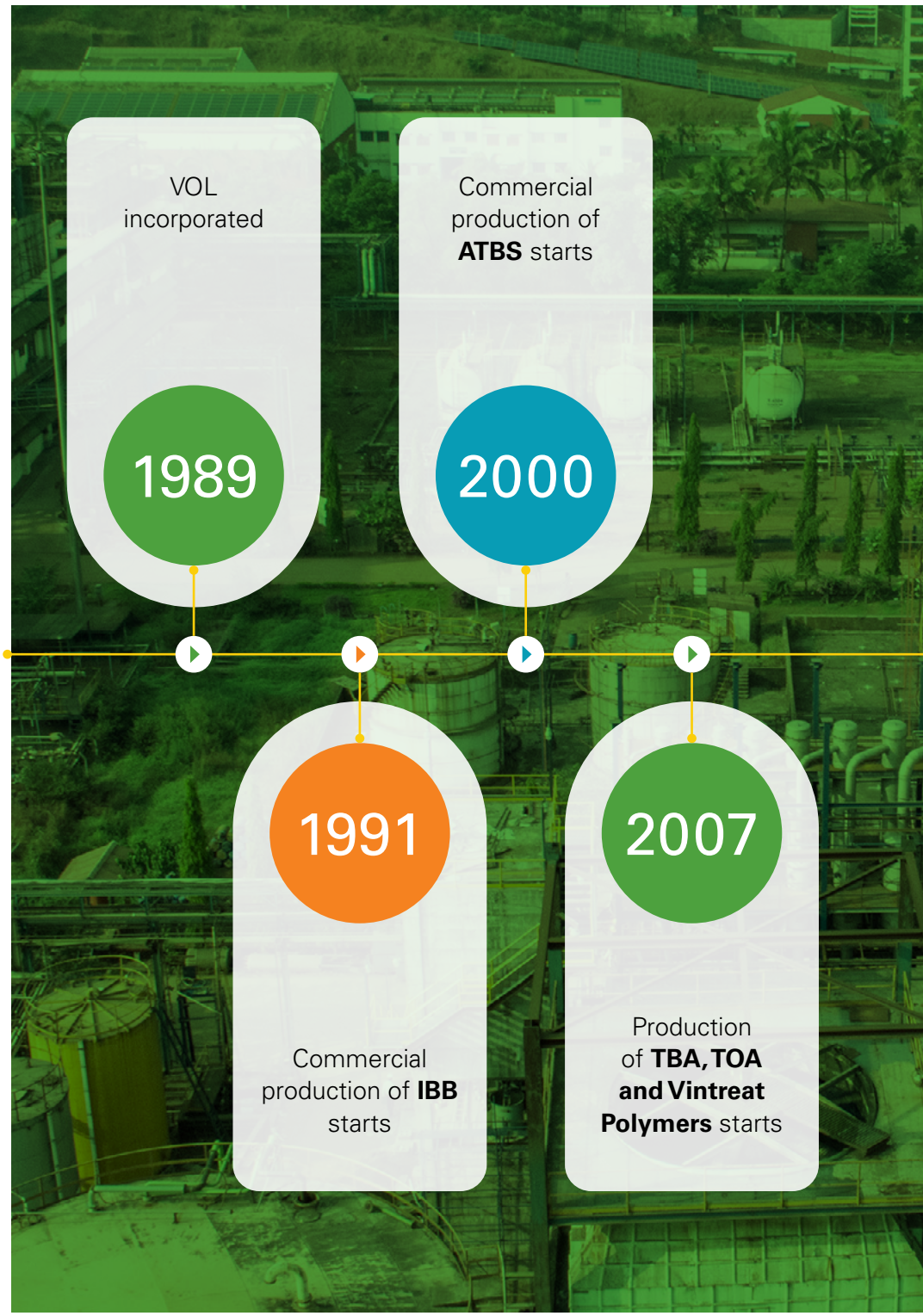
Vinod Saraf
Chairman

Vinati Saraf Mutreja
Managing Director & CEO

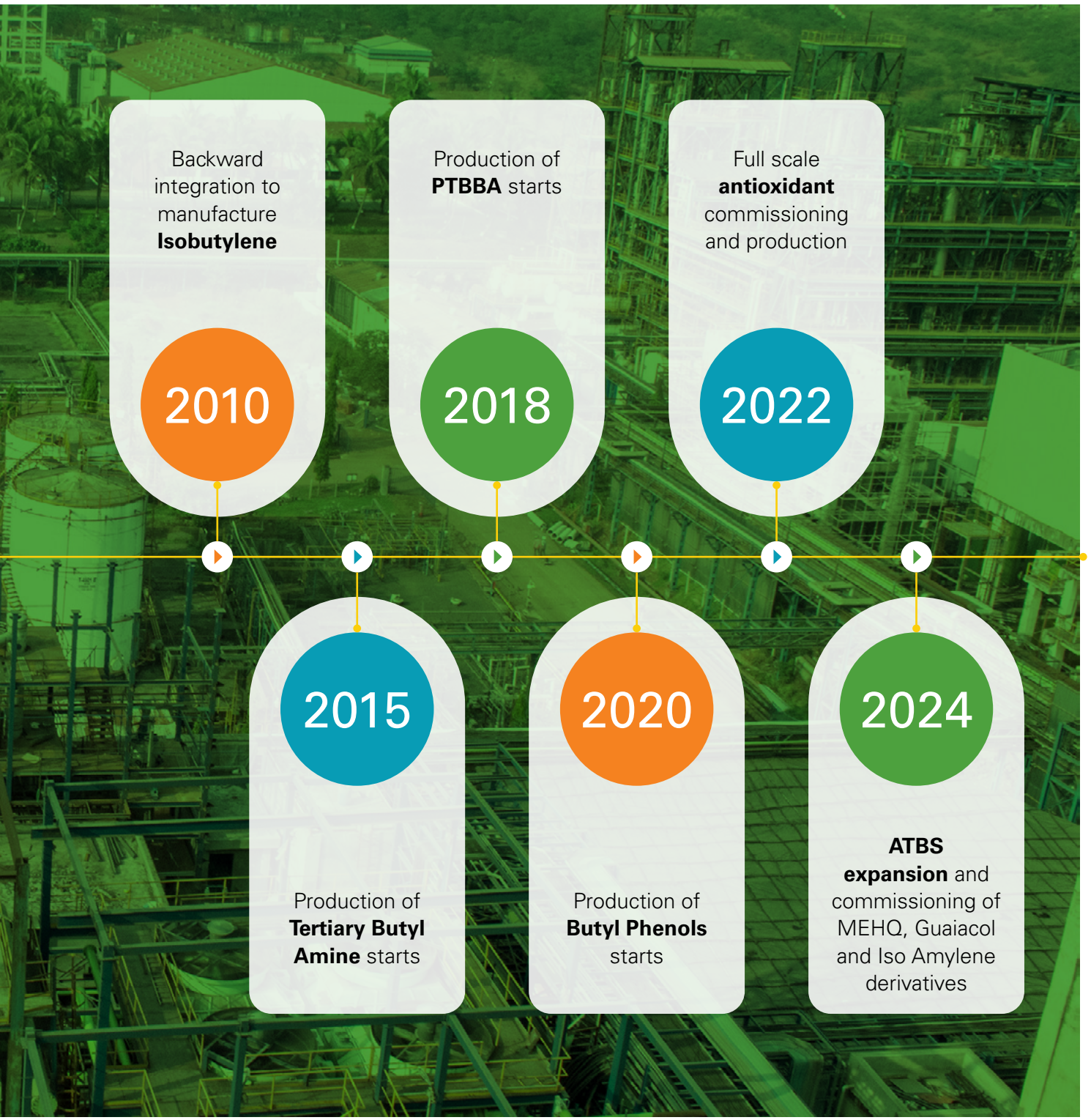
Decades of excellence

We have engaged with utmost trust and professionalism with all our stakeholders over the years. The foundations we have built will support our growth story for decades to come.

Vinod Saraf
Chairman



Includes VAPL


Backward integration to manufacture **Isobutylene**
2010
2015
Production of **Tertiary Butyl Amine** starts
Production of **PTBBA** starts
2018
2020
Production of **Butyl Phenols** starts
Full scale **antioxidant** commissioning and production
2022
2024
ATBS expansion and commissioning of MEHQ, Guaiacol and Iso Amylene derivatives

A sustainable and resilient business model

Foundational capabilities

Physical assets

- 3 state-of-the-art manufacturing facilities[1]
- Strong supply chain setup
- Value chain integration and depth

People and partners

- Strong relationships with customers and suppliers
- Deeply experienced executive leadership team
- Skilled and committed employee base

Product portfolio

- Focused, niche specialty chemicals portfolio
- Diversified applications, across geographies and industries
- Fortified market leadership and competitive moat

Strong capital stewardship

- Strategic deployment of capital to accelerate growth
- Robust cash flow generation from core portfolio
- Effective marketing and contracting to deliver resilient financial performance

Operations and innovation backbone

- Mastery of chemistries and processes
- Strong R&D capabilities and innovation knowledge base

[1] Including VAPL

Strategic enablers

01

Growth through innovative and niche specialty chemicals. New products aligned with existing value chain synergies.

02

Products backed by world-class scaled and integrated capacities for global competitiveness. State-of-the-art facilities with laser focus on operational excellence

03

Multi-dimensional sustainability focus in all strategic decisions.

Strong outcomes

Financial

23%
5-year CAGR in revenues

26%
5-year CAGR in net profit

Investors

23%
CAGR growth in last 5 years of networth

4x
market capitalisation growth in last 5 years

Operational

Mastery
in the isobutylene and alkyl benzene value chain

2x
Growth in production capacities

Market presence

Undisputed world #1
in two key specialty chemicals – ATBS and IBB (with **65%+ market share** globally)

India's largest,
and one of Asia's largest, antioxidants manufacturing facilities in VAPL

Only manufacturer of scale in India
for ATBS, TBA, TOA, PTBT, PTBBA, PTBMB, PTBP, OTBP, 2,4DTBP, 2,6DTBP

Our investment thesis

Unique product portfolio catering to many industries

We offer a differentiated portfolio of specialty chemicals that finds a range of applications across industries – from pharmaceuticals, water treatment, flavours and fragrances to lithium-ion batteries, construction, agro-chemicals, and plastics.

Strong technical partnerships and R&D expertise

With strong ties to renowned global and domestic chemicals institutes, we leverage strong technical partnerships to drive cutting-edge innovation. Backed by state-of-the-art R&D facilities and human expertise, we excel in underlying chemistries – like Olefins and Aromatics – and chemical processes like side chain alkylation, oxidation, and esterification, making us a reliable partner for unique and advanced solutions.

Ownership of value chains with strong backward integration

Our strategic investments and capability development have enabled us to master specific chemicals value chains through strong backward integration. This empowers us to maintain global competitiveness and ensure resilient supply, setting us apart from our competitors. For instance, VAPL's antioxidants manufacturing setup is one of the world's few facilities that is backward integrated up to two steps, positioning us strongly in the global market.

Long-standing relationships with global chemicals majors

Our deep-rooted partnerships with major chemicals and industrials players across the globe, including USA, Europe, and Asia, instill great trust and credibility, and position us strongly in the global market for our new products.

World-class scaled production facilities and strategic positioning in global markets

Over the last 5 years, we have invested to grow our capacities by 2x. During this period, we grew our revenues by 2.8x, continued to excel in our manufacturing operations, and delivered market share gains across product lines. We back our new products with scaled facilities and strategic investments. This is evident with antioxidants, where VAPL's 28,000 TPA capacity is India's largest and one of Asia's largest manufacturing setups.

Being a supplier based out of India positions us uniquely in the global chemicals market. As customers increasingly look to diversify their supply chains from East Asia, we are incredibly well-positioned to serve them with our established capacities and processes.

Core focus on sustainability

Sustainability is ingrained in our business philosophy. Zero-waste discharge and adherence to compliance norms are the foundation of our manufacturing operations. We go above and beyond by innovating processes that convert waste into valuable products, reflecting our commitment to being a global sustainability steward.

Financial stewardship and resilient foundations

By deploying capital efficiently and effectively, we generate substantial cash flows and deliver strong returns to our shareholders. Our resilient financial health, driven by a focused product lineup, reinforces top-line, bottom-line, and cash flow growth.

Empowered by a winning executive leadership team

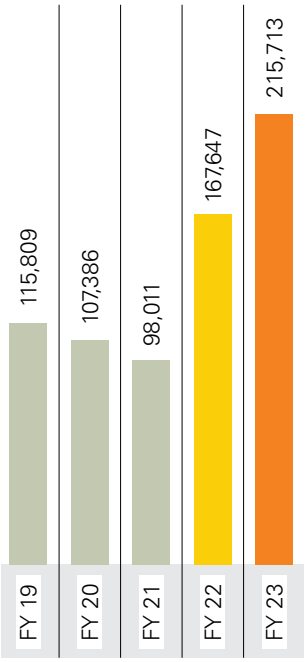
Our deeply experienced executive team, with an established track record across sales, marketing, technical expertise, operations, and supply-chain, supports our world-class product portfolio. We invest significantly in building organisational capabilities to fuel future growth and extend our market leadership.

Robust governance and diversity

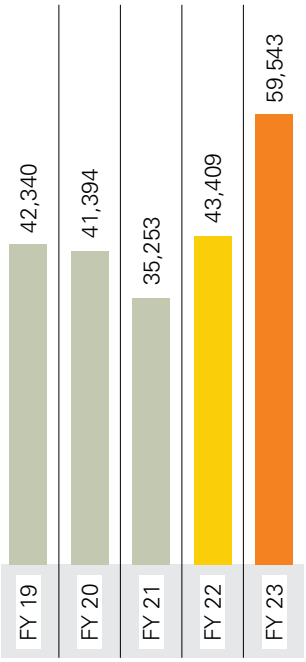
At VOL, strong governance is paramount. We actively promote diversity and inclusion, with strong representation of independent directors and female board members. Our dedicated committees oversee operations, ensuring continued progress on our growth agenda.

Strong financial performance

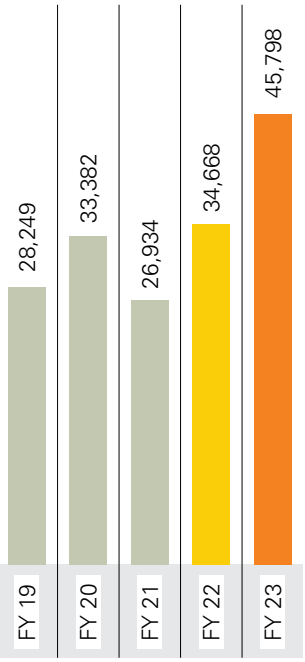
Revenue
(₹ in lakhs)



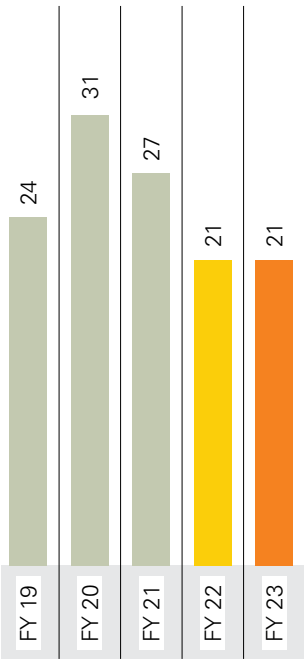
EBITDA
(₹ in lakhs)



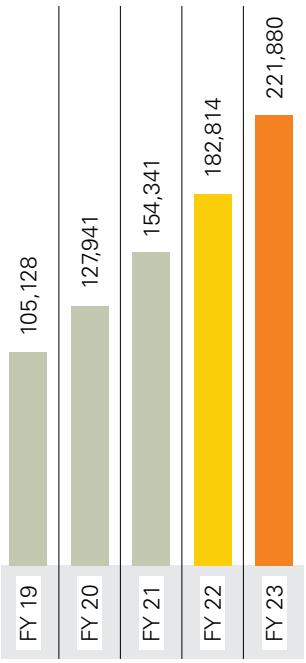
PAT
(₹ in lakhs)



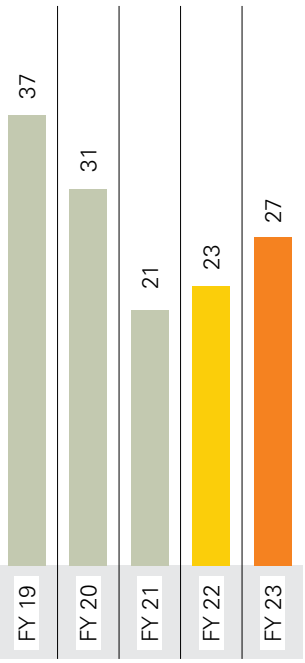
PAT
(%)



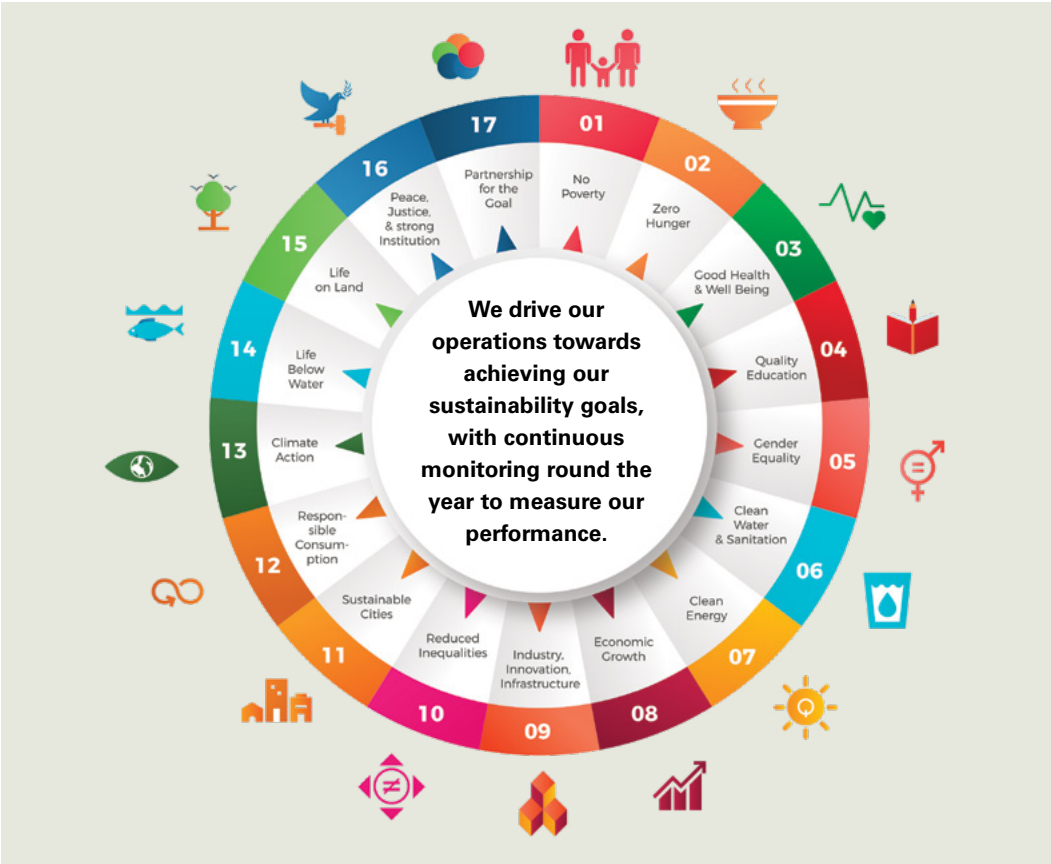
Net Worth
(₹ in lakhs)



ROCE
(%)



SDG goals



Industry, innovation and infrastructure

Over the years, we have fostered innovation with new product development that continues to add value to our customer's business. Our robust operational infrastructure ensures increased resource efficiency and adoption of sustainable best practices.

Affordable and clean energy

We remain committed to reducing emissions in operations. The solar park at Solapur will help reduce energy dependence on conventional sources and help us move towards renewable energy.

Responsible consumption and production

Specific steps have already been taken to decrease waste from operations and recycle or reuse the waste generated. As a specialty chemicals company, our chemicals handling processes are followed by strict protocols defined by regulators and government bodies.

Peace, justice and strong institution

We have developed effective, accountable and transparent operating processes to ensure 'zero tolerance' to malpractices. Our sustainable growth model is built on a responsive and inclusive decision-making process.

Safe work and economic growth

Ensuring safe work practices and an engaging work culture are part of VOL's critical focus areas.

Our commitment to do social good and empower communities drives us forward. Our social responsibilities extend towards multiple focus areas of sustainability.

Corporate Social Responsibility

Note from the Director

We make efforts towards promoting inclusive growth

Viral Saraf Mittal,
Director of CSR at Vinati Organics Limited (VOL)

> We firmly believe in the power of collaboration with our various stakeholders. Our wide range of CSR activities has only been made possible through the dedicated efforts of our VOL staff, CSR committee, NGO partners, local communities, government agencies, and panchayats.

At Vinati Organics Limited (VOL), giving back to our communities has been a core value. As a specialty chemical manufacturing company, we are committed to manufacturing our products sustainably, and we extend this socially responsible attitude to support sustainable development in our country.

After the Covid-19 pandemic, this year has shown signs of returning to a sense of normalcy. Throughout the pandemic, we actively supported various Covid-19 relief efforts in Mumbai and the areas surrounding our manufacturing sites in the Raigad and Ratnagiri districts of Maharashtra. Our commitment to Corporate Social Responsibility (CSR) has been at the forefront, with interventions focused on promoting education, healthcare, sanitation, water, and environmental initiatives in rural Maharashtra.

During this fiscal year, we extended our CSR efforts to Rajasthan, a region deeply connected to our family's roots. In Rajasthan, we are providing essential financial support to underprivileged students, enabling them to complete their education and pursue brighter futures. Additionally, we have contributed to educational infrastructure by establishing a chemistry lab in a school and a conference center in a college, empowering students to access quality learning resources.

We firmly believe in the power of collaboration with our various stakeholders. Our wide range of CSR activities has only been made possible through the dedicated efforts of our VOL staff, CSR committee, NGO partners, local communities, government agencies, and panchayats. Together, we have joined forces to make a positive impact and bring about meaningful change.

The year at a glance

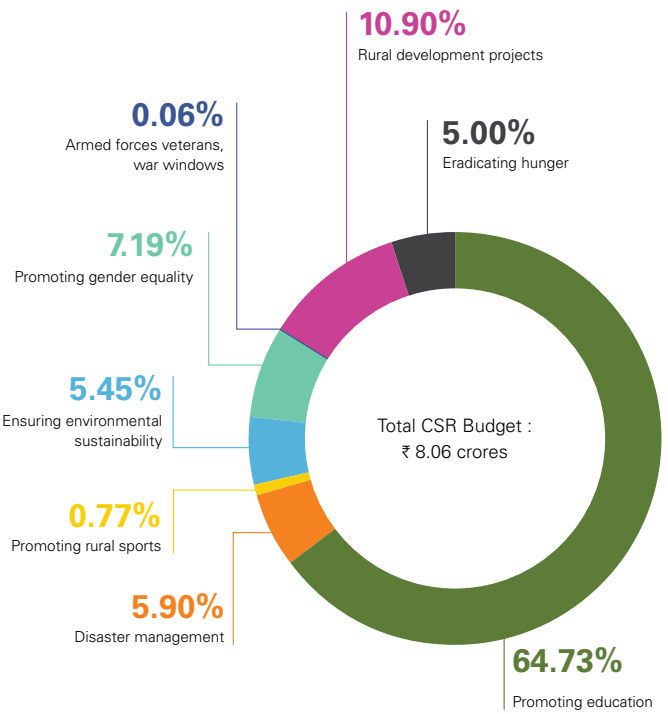
Our Focus

During this financial year, our commitment to social responsibility has remained steadfast as we continued to support multiple interventions that contribute significantly to India's sustainable goals and targets.

One of our primary focuses was on programs dedicated to eradicating hunger, poverty, and malnutrition. Additionally, we have played a crucial role in promoting healthcare by supporting preventive measures and sanitation initiatives. Education and employment have also been at the forefront of our efforts, as we strive to provide access to resources and well-equipped infrastructure, along with livelihood enhancement and capacity building support.

A key aspect of our CSR budgets was directed towards promoting gender equality and empowering women. We are proud to have facilitated resources and infrastructure to cater to the specific needs of women, orphans, and the elderly. Furthermore, as part of our commitment to preserving the environment, we have made contributions towards river cleaning, wildlife conservation activities, and resource support for responsible chemical waste disposal.

Our dedication to rural development has not wavered, as we have supported various projects aimed at uplifting rural communities. Additionally, interventions promoting rural sports and disaster management projects, including relief and rehabilitation activities, have been part of our ongoing endeavors. Furthermore, we are proud to have worked towards the benefit of police and armed forces, recognising their invaluable contributions to society.



Ensure healthy lives and promote well-being for all at all ages.

Enabling Access to Breathing Support for Children in Assam

We supported InnAccel Technologies Pvt Ltd, a leading medical device innovator in India, in deploying its Saans systems to Assam. The project aims to provide essential breathing support devices across the state, particularly for neonates and pediatric patients in remote areas. This initiative addresses respiratory distress, a significant cause of neonatal mortality.

Saans was specifically developed to make breathing support universally accessible, especially for babies in resource-limited settings. It addresses existing product gaps by being infrastructure-independent (with an in-built flow generator and battery), easy to use (large digital display, single push knob operation, and simple user interface), and portable. The device offers multiple therapy modes (CPAP - Continuous Positive Airway Pressure, HFNC - High Flow Nasal Cannula, and soon resuscitation), making it suitable for various hospital and transport settings. Moreover, it can be used with a range of standard patient consumables, ensuring affordability during use.

This unique product expands access to breathing support, making respiratory care available in lower-level hospitals and transport settings. Its design emphasises simplicity and requires minimal skill to operate.

In Phase 1 of the project, which took place between April and November 2022, we successfully deployed 153 Saans devices to 32 Medical Colleges and District Hospitals in their Special

Newborn Care Units (SNCUs). This implementation allowed CPAP therapy to be enabled for the first time in the majority of District Hospitals, as Saans is compatible with Oxygen Concentrators, not just high-pressure central lines. So far, this initiative has benefited over 1,000 babies.

Currently, we are in Phase 2, where we are in the process of installing 154 devices in Pediatric Intensive Care Units (ICUs) across the State. This ongoing effort aims to further enhance access to vital breathing support for pediatric patients.

In Phase 1 of the project between April and November 2022, 153 Saans devices were deployed across 32 Medical Colleges and District Hospitals in their SNCU (Special Newborn Care Units). In the majority of the District Hospitals, CPAP therapy was enabled for the first time, due to Saans compatibility with Oxygen Concentrators (not just high pressure central lines). Thus far, over 1000 babies have been treated.

Currently, the Phase 2 of the project is underway, with 154 devices currently being installed in Pediatric ICUs (Intensive Care Units) across the State.

Fulfilling wishes of children diagnosed with critical illnesses

Each year, over 1,00,000 children aged 3 to 18 in India are diagnosed with life-threatening illnesses like Cancer, Thalassemia, Muscular Dystrophy, HIV, and more. Many cases may go undetected. These children have simple wishes such as dolls, bicycles, remote control cars, new clothes, video games, laptops, and mobile phones. In collaboration with Make-A-Wish India, we supported the wishes of 148 critically ill children. On World Wish Day, April 29th, 2022, Vinati Saraf Mutreja, CEO and MD of Vinati Organics Limited, fulfilled a child's wish and experienced the joy of making a difference.

Vinati Saraf Mutreja,
CEO and MD of Vinati Organics Limited

> The wishes of these children are so simple to grant, but the joy it brings to their faces is so precious

Run for a cause With reference to Tata Mumbai Marathon 2023, Vinati Organics participated this year in support of Make-A-Wish Foundation of India. We donated ₹ 5,50,000, and 25 employees participated in the Marathon.

Enabling access to healthcare through Mobile Vision Centres/ Vans (MVC Van)

Due to limited access to healthcare and nutrition, many individuals face challenges in receiving proper treatment for poor vision. To address this issue and reduce the burden of avoidable blindness, specifically refractive errors and cataract, we formed a partnership with the SWADES Foundation.

We focused on providing preventive eye care services to rural populations. To achieve this, we supported Mobile Vision Centres (MVC Vans), which played a crucial role in identifying refractive errors and providing corrective spectacles to those in need. Additionally, we facilitated the diagnosis of cataract cases and collaborated with partner hospitals to ensure surgical interventions through timely referrals.

Services available on MVC Van:

Diagnosis of glaucoma and provision of medication for other eye ailments.

Provision for basic blood and urine tests using state-of-art blood + urine analyzer equipment.

Health counselling, guidance and referral services.

Involving local doctors in screening and follow- up of Patients' progress through arrangements with local authorities for theme based medical camps.

IEC (Information, Education, Communication) for community awareness via Audio Visual aids.

102
No. of Surgery

293
No. of Spectacles

Our achievements:

- Increased health awareness and knowledge among community members.
- Reduced occurrence of preventable blindness in the community through early detection of refractive errors/ cataract.
- Promote better self-care for eye-health – including timely change of spectacles (progressive lenses) and regular check-ups.

Reduced dependency (financial/ Physical)

Increased employability (with better vision and reduced dependency on earning members earlier being non/less productive to take care of the ailing) – leading to higher earning capacity.

Ensuring the availability of drinking water for communities

Less than 15% of households have access to tap water, leaving them reliant on standposts (average 1 km away), rivers (average 5 km away), and public wells (average 1.4 km away) for their water needs. Unfortunately, all these sources provide water for only 9-10 months in a year, leading to a severe water scarcity situation. In collaboration with the SWADES Foundation, our joint goal was to address this issue and improve water availability in the region.

Our intervention aimed to develop household tap water access and establish sustainable long-term water sources. This involved retrofitting and developing water sources to ensure a consistent and reliable supply of water for the community.

What we did:

- Conducted a ground water Survey (Geo- Physical and Technical Assessments)
- Built infrastructure for drinking water schemes – construction/ repair/ augmentation i.e., source development (check dam/spring cordoning, wells etc.) + storage reservoir (ESR - Elevated Storage Reservoir/GSR - Ground Storage Reservoir) + distribution pipeline + tap in homes)
- Enabled lifting of water (pump - electric / solar as per requirement and willingness of the community)
- Filtration (in-line chlorination or tap-based filter)
- Capacity building of village water committees (for upkeep and maintenance and sustainability of the project)

Outcome and supplementary impact:

- Reduced migration due to unavailability of water
- Reduction in water borne diseases
- Reduced dependency on water tankers
- Average time saved due to availability of tap water for women

Geographies we impacted:

Geographies we impacted:	
Mangaon-Talegaon-Tarf-Goregaon- Adivasiwadi 2	52 Households
Sudhagad- Balap-Balap	38 Households
Mahad- Waki Bk-Nanemachi Awad	10 Households
Mahad- Khardi-Payarikond	54 Households

Ensuring the availability of emergency health services:

We donated ₹ 7,00,000 to support ambulance services for Fort Raigad and surrounding villages, following a request from the Jansanwad rural development welfare association and Grampanchyat Nijampur. The provision of ambulance services has proven to be a life-saver for patients with critical illnesses, particularly those requiring emergency treatment in Mumbai or Pune.

Providing universal quality education and lifelong learning.

Naming rights in the Incubation Centre at BITS Pilani

To foster entrepreneurial activities at BITS Pilani, we provided substantial support for the establishment of an incubation centre. The centre includes three levels, accommodating 150 coworking seats and 8-10 innovation labs. A generous grant of ₹ 80,00,000 was contributed towards the construction of the Vinati Organics Conference Room. Additionally, we donated ₹ 20,00,000 to support the development of smaller conference rooms within the institution.

Supporting students through school and hostel fees

We allocated a donation of ₹ 2,00,00,000 to Jhunjhunu Academy to facilitate the payment of hostel fees, provided books, stationery, and uniforms for the students. Additionally, it contributed to mid-day meals, health, and fitness activities, as well as sports, games, and scholarships.

Strengthening the future of students

We extended our support to Rishikul Vidhyapeeth, a school located in the hard-to-reach town of Laxmanghar Sikar, Rajasthan. With our CSR donations, the school was able to construct a well-equipped chemistry lab for its students, fulfilling a crucial need for practical education.

The construction of this laboratory not only benefited the students but also had a positive impact on nearly 20 vendor families involved in the project. These families now proudly showcase the laboratory as an example of their work to potential clients.

For the school, the chemistry lab has been instrumental in enhancing the learning experience of over 400 students. It has enabled them to make better use of the school curriculum, providing them with practical knowledge and skills. Furthermore, the improved facilities have contributed to better placement prospects for the students.

Capacity building of School Leadership

In Raigad, children often drop out of school after class V due to reasons like migration, poor sanitation, and inadequate school infrastructure. In collaboration with the SWADES Foundation, we initiated a program to build schools' leadership capacity. Skilled and progressive leadership aims to reduce dropout rates and create a conducive learning environment.

What we did:

- Conducted participatory meetings with school principals to introduce the Teacher Foundation (TF) program and its objectives; methodology and envisioned outcomes with emphasis on the role of school leadership
- Developed curriculum methodology, timelines and costing in conjunction with
- TF Created a core group of mentors from Swades/TF to mentor principals and teachers
- Rolled-out training programs with school principals and teachers
- Developed a monitoring and feedback mechanism in conjunction with TF and principals to gauge the effects of the training and mentoring program
- Devised a set of qualitative indicators that children can use to give feedback to their teachers about the new curriculum
- Conducted a join mid-term and end-term review in conjunction with TF

What we achieved:

- Many principals have witnessed improvement in their managerial capability in running and managing their schools
- School heads will oversee and sustain the good practices in the schools post our intervention.
- 20% improvement in the overall teaching learning- assessment at the end of the program as compared to their baseline scores
- Teachers will be using the handouts as reference during lesson preparation/ classroom delivery
- Report generated by TF, action plan by HM (Headmaster), Observation records and feedback analysis

Sahyadri Shikshan Sanstha, Chiplun

Our support involved the expansion of the English Medium School, which included the construction of 13 classrooms, a library, a science laboratory, a multipurpose hall, an office, and a pantry. Our intervention has supported 200 students and 25 staff members.

Hindavi Garjana "English Medium School" Aavashi - Khed

Through our interventions, we supported the Hindavi Garjana High School's expansion, providing seating arrangements for over 400 students through the construction of classrooms and toilets.

Additionally, with a grant of ₹ 9,90,000, we reconstructed two classrooms for the Zillah Parishad School in Kambale Tarfe Birwadi, benefiting a total of 48 needy children from 1st to 7th grade from surrounding villages. Furthermore, we also donated 20 plastic chairs to the Zillah Parishad School, Haware, that benefitted 45 children studying in grades 1st to 4th.

In response to requests from schools, we also donated an LED TV to Zillah Parishad School in Nangalwadi, benefiting 32 students studying in grades 1st to 4th.

Moreover, we extended financial assistance for the construction of a classroom in Turbhe High School, Poladpur, donating steel worth ₹ 3,00,000. The school currently serves 122 underprivileged students from surrounding villages.

In School Training

With the goal of empowering adolescents, we sustained our engagement with school students in Mahad through the In-school training program in partnership with Samhita-Collective Good Foundation and Yuva Mitra. Our comprehensive program, "HERS" (Health, Education, REVIVE, Skilling), was implemented across 18 schools in Mahad Taluka, Raigad District.

Over 2,100+ adolescent students, including both girls and boys from Grades 5 to 12, participated in regular in-school training sessions. The training aimed to equip them with essential life skills, gender sensitisation, physical and mental health awareness, menstrual hygiene management, reproductive health, nutrition, child rights, disaster management, and career counseling.

In addition to benefiting the students, the program also focused on strengthening the capacities of 66 school teachers, enabling them to better understand, engage, and guide their students through the challenges of adolescence.

The impact of the training sessions was remarkable, with students demonstrating significant improvements in their knowledge of menstruation and menstrual hygiene, anemia, nutrition, and gender equality. The program played a pivotal role in shaping social norms around gender roles and rights, both within and outside the home. Students reported enhanced self-awareness, communication skills, problem-solving abilities, and a positive attitude towards their future careers.

> During the training sessions for girls, we were given important information on various topics: Concepts of gender and sexuality, natural differences, physical and mental changes that happen during adolescence, attraction, challenges during menstruation, menstrual hygiene, female reproductive system. Under life skills, we learned about communication skills, healthy thoughts, understanding and management of emotions, understanding and tolerance, and decision making. The training sessions have been extremely informative and encourging to us.

-Aadini Balkrushna Kadam (Grade 12 student),
S.S. Sawant Higher Secondary school, Shirgaon

Sponsoring Chemical Research

VOL sponsored a Post Doctoral Fellow at the Institute of Chemical Technology, supporting research on chemical products. Our donation of ₹ 6,00,000 contributed to the advancement of scientific knowledge and innovation in the field of chemical technology.

Mr. Vinod Saraf,
Executive Chairman, Vinati Organics Limited

> Our efforts have always aimed to give every child access to quality education and the best learning environment so that they can reach their maximum potential and lead the future of our country.

Khasdar Chashak - State Level Cricket Tournaments, Chiplun

We organised a sports tournament for underprivileged children in Chiplun, which saw participation from 27 different cricket teams across Maharashtra. The tournament was a success, attracting over 20,000 spectators who enjoyed the exciting matches.

Participating in sports has a significant impact on the mental and physical well-being of individuals, especially in the long run. It plays a crucial role in promoting holistic development, fostering valuable life skills, and encouraging a healthy lifestyle.

5 GENDER EQUALITY

Eliminating all forms of violence against women and young girls

Kartel Grapanchayat, Kartel - Khed

We donated seating arrangements, including around 200 chairs, to Grampanchayat Kartel and the women's group "Bachat Gat" to support their meetings, training sessions, and social activities.

6 CLEAN WATER AND SANITATION

Ensuring access to water and sanitation for all

Donation of Garbage Tipper

We responded to the request letters from Sarpanch, Upsarpanch, and Grampanchyat members by donating a garbage tipper to Grampanchyat Dadali, Tal-Mahad. Our donation of ₹ 5,00,000 facilitated the acquisition of a closed body Garbage Tipper in line with the "Swachh Bharat Abhiyan."

By providing this essential infrastructure, we aimed to promote health and hygiene in the village, ensuring a clean and protected environment for the residents. Approximately 1,500 people benefited from improved health and hygiene conditions, ultimately leading to a better quality of life for the community.

School sanitation

One of the biggest roadblocks to healthy development for young children and adolescents is poor health and sanitation conditions in schools. Many schools lack well-maintained toilets with running water, and separate facilities for girls are also insufficient. This creates challenges, especially for female students, with a lack of proper WASH awareness, health education, and menstrual hygiene support.

Due to inadequate facilities and access to menstrual hygiene products, over 23% of adolescent girls tend to drop out of school, negatively impacting their educational pursuits and aspirations. Addressing these

issues is crucial for creating a conducive learning environment for all students, regardless of gender. By investing in sanitation facilities, health education, and menstrual hygiene awareness at schools, we can promote better educational outcomes and support the holistic development of young individuals.

Our partnership with Samhita-CGF

Acknowledging the critical need for improved sanitation facilities and behavior change in schools, we extended our support to the School Sanitation and Behavior Change Campaign (BCC) as part of the HERS initiative. This collaboration involved partnering with the Collective Good Foundation and Ecosan Services Foundation.

Building upon the success and positive feedback received from schools in Mahad (Raigad), we expanded the school sanitation project to encompass five schools in and around MIDC Lote, Ratnagiri district (Maharashtra). This outreach impacted over 1,700 students and teachers, significantly enhancing their access to improved sanitation facilities and hygiene practices.

The project's on-ground activities included refurbishing toilet blocks, installing RO water filters and sanitary pad vending machines, and conducting IEC (Information, Education, and Communication) sessions on WASH (Water, Sanitation, and Hygiene) and MHM (Menstrual Hygiene Management) practices for both students and teachers. Illustrative wall paintings were utilised to promote personal hygiene, good

1 http://img.asercentre.org/docs/ASER%202018/Release%20Material/aserreport2018.pdf

sanitation practices, handwashing, water conservation, and waste segregation.

Additionally, we distributed school health cards, informational handbooks, and Operation and Maintenance (O&M) kits to empower schools to monitor the status of their WASH facilities regularly. This proactive approach aimed to ensure better upkeep and long-term sustainability of the infrastructure.

In addition to the repair of the toilet block in the school, the team conducted a session on menstrual health for adolescent students from Grades 5 to 12 which is extremely beneficial and important. These topics are not taught at home because the parents do not feel comfortable discussing menstruation with their children but through the training session, the students received clear information on menstruation and menstrual health in a way that makes them comfortable to discuss these things with their peers and also their female teachers in the school.

-Vilas Namdeo Chorge,
Principal, New English School and Junior college, Ambadas (Lote, Ratnagiri)

7 AFFORDABLE AND CLEAN ENERGY

Ensure access to affordable, reliable, sustainable and modern energy for all

Solar Street Lights for Villages

In India, many villages lack street lights, impacting the quality of life and community safety. During calamities, these villages can face prolonged darkness for 15-60 days annually, depending on severity and remoteness.

In partnership with the SWADES Foundation, we addressed this issue by installing solar street lights in these villages. This initiative brightened dark areas without existing streetlights or reliable power supply, enhancing safety and convenience for community members, particularly during challenging times.

Our interventions:

- Provided solar street lights that are inclusive of a 40 watt solar panel, 18Ah battery, 12w LED light and Galvanised Iron (GI) pole o f 5 metres.
- Provided a t l east 4 -10 s treet l ights p er village; as per size of village and density of households.
- Each Village Development Committee (VDC) collects ₹ 5-10 from the Households as a corpus / maintenance fund and also has access to funds from the Gram Panchayat for such repairs and maintenance. The ownership of the streetlights is with the relevant VDCs.

What we achieved:

- Functional solar street lights in supported villages
- Reduced dark places in the villages
- Overall increase in safe mobility at night due to solar lighting

Solar lights for households

Though most households have electricity connections, concerns persist regarding the quality of power supply and frequent disruptions. The situation worsens during monsoons and natural calamities like cyclones and floods.

During calamities and power outages, communication and relief work face immense challenges due to mobile phones being unchargeable. This lack of access to rechargeable mobile phones hinders coordination with stakeholders and makes people unreachable.

In collaboration with the SWADES Foundation, our intervention aimed to empower homes with sustainable power backup. By providing reliable power solutions, we sought to counter electricity supply disruptions and improve the quality of life during critical times like medical emergencies and calamities.

Our interventions:

Distribution of off-grid solar home lighting kits to households inclusive of a control box, 2 LED tubes, 1 LED bulb and 1 Solar panel.

- During the day, an attached 11 volts/ 8 watts solar panel collects energy from the sun, uses it to charge the solar batteries; it takes about 6-8 hours to charge under sufficient sunlight (direct/indirect) or 10-11 hours by AC (Alternating current) adapter.
- Sufficient to power 1 bulb for 16 hours, 1 tube light for 10 hours / 2 tube lights for 5 hours / 1 bulb and 2 tube lights for 4 hours / charge a mobile phone for 30 minutes.
- The unit is ideal for small homes, charge phones and provide lighting during disasters/ power cuts.

What we achieved:

- Functional solar powered-electricity back up (including lighting + mobile phone charging) in supported households.
- Savings in annual electricity expenditure (average 30 days of power outage in a year = estimated savings of ₹ 300-500 in the electricity bill).
- Supplementary power available for many hours per day (provides 4-8 hours of lighting on 3 points – fans, lights etc. OR 30 mins of mobile phone charging).
- Use of emergency lighting during disasters / power outage.
- Improvement in quality of life such as lighting for children's studies, ability to do home chores, lighting for economic activities.

8 DECENT WORK AND ECONOMIC GROWTH

Promoting sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.

Through our partnership with Samhita - CGF's REVIVE Alliance, we have made a positive impact on the livelihoods of over 4,800 women across various districts in Maharashtra. As part of the HERS initiative, we provided affordable financial support to these vulnerable individuals in the form of returnable grants.

The returnable grant is an innovative social finance mechanism that differs from traditional loans by placing emphasis on a moral obligation to repay rather than a legal obligation. This mechanism operates through a revolving fund, where the money returned by a set of beneficiaries is reinvested to support a new set of beneficiaries, creating a significant multiplier effect with each cycle.

Women farmers

In various regions of the country, agriculture relies heavily on climate conditions and demands significant labor investments. In Chandrapur, Maharashtra, we extended support to 600 women farmers through the provision of returnable grants, implemented in two cycles.

In the first cycle, we granted returnable funds to 300 women farmers at the onset of the Kharif agriculture season, facilitating their purchase of agricultural inputs. After harvesting and selling their produce, the women farmers successfully repaid the grant amount, achieving a 100% repayment rate. Subsequently, the repaid funds were reinvested in a second cohort of 300 women farmers during the next Kharif season, effectively doubling the impact of our initiative.

I am Anusaya Ram Jadhav, member of Sanjeevani SHG Dhanoli Tanda, Block Korpana Dist. Chandrapur, Maharashtra. This year I came to know about the RG Fund, when I was in the midst of a crisis. I had spent 1,20,000 rupees in the hospital in my treatment. I was cured, but lost out on a large portion of my savings, which put me into a dilemma on how to farm this year and somehow earn money. Once I got the information about the Samhita CGF RG Fund, Tai Kelvatkar, the Cluster Incharge of Lakhamapur cluster filled out the request form. Through the team alone, I was able to get a support of ₹ 10,000, which helped me to buy seeds and fertilizers for agriculture under the committee of Ekata Mahila Trust. I am sure the entire process will certainly help me earn once the agriculture produce is ready.

-Anusuya Ram Jadhav,
Farmer from Chandrapur district, Maharashtra

Women artisans

Since the lockdown, artisans witnessed their productions come to a standstill. Huge unsold inventory piled up, while sales opportunities through exhibitions and orders either came to a stop or dwindled quite low. Some of the artisans reported their savings drying up and not having enough to even be able to meet their basic daily expenses.

During the lockdown, artisans faced significant challenges as their production came to a standstill, leaving them with unsold inventory and limited sales opportunities. Many artisans reported depleting savings and struggles to meet basic daily expenses. In line with our mission to revive social enterprises, we stepped in to support 402 women pottery artisans from Ratnagiri and Raigad districts in Maharashtra through returnable grants.

These grants acted as working capital, empowering the artisans to invest in their production cycle and diversify their product offerings to cater to changing market demands, trends, and seasonal/festive preferences. This boost enabled the women artisans to increase sales and generate higher incomes, which were then reinvested into the pool of returnable grants, magnifying the impact and benefiting more women artisans.

Apart from economic revival, we facilitated training and capacity-building workshops for the women artisans, enhancing their skills and empowering them to diversify their products.

My name is Nayana Balwant Tharwal from Kalhe village in the Raigad District of Maharashtra. I am 47 years old and have studied till 4th standard. I lost my husband at a very early age, and with two children to feed, I knew I could not sit idle at home. That is when I started working at the Yusuf Meheraly centre in the oil extracting centre, or accompanying some children to and from school. Then I started learning pottery, and it's been 17 years that I have been engaged in the craft of pottery. In this span, I have made almost all products, like, lamps, diyas, clocks, jewellery, Ganpati idols. I am also a member of the Shri Samarth Bachat Gat. I got an opportunity to visit Mumbai for some workshops and exhibitions and also conduct workshops for the elite people of the society and officers of higher positions. I can now effectively communicate with people, and also know how to sell my products, even though it is a very small beginning. I am forever grateful for the exposure that I got on coming out of my small world.

-Nayana Balwant Tharwal,
Pottery Artisan from Raigad district, Maharashtra

Women Micro entrepreneurs

Economic crises disproportionately affect marginalised women entrepreneurs, who face significant barriers to livelihood assistance and capital due to limited credit history, lack of collateral, and limited social capital. To address this issue, we collaborated with Samhita-CGF's REVIVE initiative to provide affordable finance to women micro-entrepreneurs in the form of zero-cost returnable grants, along with essential financial and digital literacy training.

The cohort of micro-entrepreneurs engaged in various businesses, such as selling fish, vegetables, and running small enterprises. With the support of the returnable grants, they were able to invest more capital into their businesses, increase their income and profits, and generate savings. This financial empowerment allowed them to consistently repay the returnable grants, with repayment rates consistently exceeding 100%.

Initially targeting support for 1,000 women, the initiative successfully extended assistance to over 3,172 women micro-entrepreneurs across several rounds of redeployment within two years. Furthermore, the new phase of returnable grants provided additional support to 696 women micro-entrepreneurs through two rounds of redeployment.

The zero-interest nature of the grants enabled these women to avoid relying on money lenders, instilling confidence in seeking formal bank loans and fulfilling their repayment obligations within the specified timelines.

I was a homemaker for a long time but I always wanted to do something of my own and earn. I took a loan from Mann Deshi and started a hotel. Gradually, my income increased. When I needed funds to buy raw materials, I took a revolving grant of ₹ 5,000 from Mann Deshi. In my business journey, I have received a lot of support from the revolving grant.

-Sadhana Sachin Godse,
Microentrepreneur running a small-scale hotel in Vaduj (Marahastra)

Creating a Positive Social Impact

VOL extended support to Social Venture Partners (SVP), India, a platform that allows philanthropists to actively engage with the non-profit sector, contributing to the capacity building of NGOs in a hands-on manner. Our support amounted to ₹ 2,50,000, disbursed towards general donations and related incidental expenses as part of venture philanthropy.

Making cities and human settlements inclusive, safe, resilient and sustainable.

Police Welfare Fund

We provided a donation of ₹ 50,000 to support the well-being and facilities of approximately 2,400 police officers in the Raigad District Police Force. This contribution was utilised to improve various amenities, including dormitories, guest houses, libraries, gymnasiums, toilets, restrooms, subsidiary canteens, and coaching classes for the police personnel.

The Mrs. Kavita Vinod Saraf Foundation contributed to the construction of a Social Community Hall in Kalijkond village, Grampanchyat Kharawali, Tal-Mahad, benefiting 350 villagers. The initiative was in response to a request from Grampanchyat Kharawali, situated just 2 km away from our manufacturing unit.

The Social Community Hall serves as a venue for various activities, including

cultural programs, lectures on Ramayana and Mahabharat, and medical camps for senior citizens. Additionally, the hall has become a place where community members can come together for leisure and social activities.

Lote Grampanchayat, Lote - Khed

We provided support for the construction of a retaining wall in Lote to protect approximately 30-35 houses from the risks of floods, landslides, and other natural calamities.

Additionally, in response to a request from the Sarpanch and Grampanchyat members of Grampanchyat Nadgaon Tarfe Birwadi, we facilitated the construction of a Ghat and Shed for a Social Community. This project aimed to promote spiritual and religious activities along the banks of the Savitri River. The construction of the Ghat with a shed, made possible through our donation of ₹ 19,70,000, provides a dedicated space for community members to engage in religious practices and rituals, benefiting approximately 2,500 people.

Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss

Our intervention, titled 'Advancing Conservation Outcomes in the Sahyadri Landscape through Capacity Building and Management Planning,' is a multi-year project in partnership with Wildlife Conservation Trust (WCT). The primary goal of this project is to enhance the capacity of the frontline forest staff of the Maharashtra Forest Department in the Sahyadri Landscape.

We conduct on-ground training workshops and implement conservation measures that aid in Management Planning within the Sahyadri Tiger Reserve and existing Conservation Reserves (CRs) in the corridor. In the years 2022-2024, the project will undertake camera trap monitoring to assess the minimum population of two large carnivores, namely tiger and leopard. Additionally, we will assess bottlenecks in the movement of four large carnivores, including tiger, leopard, dhole, and sloth bear.

Moreover, the project places significant importance on training local stakeholders and forest staff in wildlife survey techniques, wildlife monitoring, and ecotourism through well-curated workshops. These efforts contribute to the protection and conservation of the unique biodiversity in the Sahyadri Landscape, while also involving and empowering local communities in sustainable wildlife management practices.

Our achievements from 2021-23:

- We supported WCT to conduct 27 training workshops on trauma management, wildlife forensics, wildlife law enforcement, and wildlife monitoring for 300 forest staff members in Sahyadri Tiger Reserve, Radhanagari Wildlife Sanctuary, and seven CRs (Vishalgad, Panhalgad, Gaganbawda, Ajara - Bhudargad, Amboli - Dodamarg, Chandgad, and Tillari).
- As a part of the project, WCT contributed to the development of Management Plans of four CRs (Tillari CR, Jor-Jambhli CR, Panhalgad CR, and Chandgad CR) and the Tiger Conservation Plan of Sahyadri Tiger Reserve.
- For the first time after their formation, five CRs (Vishalgad, Panhalgad, Gaganbawda, Tillari, Amboli-Dodamarg) surveyed systematically for large carnivores using camera-traps covering nearly 350 sq. km. of forest area. Six individual tigers captured on camera-traps.
- Nearly 700 co-branded, all-weather jackets were distributed to the front-line forest staff.
- Nearly 300 frontline forest guards, foresters, and Range Forest Officers were trained and provided with training manuals and kits. This is nearly 90% of the frontline forest staff of the region.
- Nearly 400 frontline forest watchers received all-weather jackets and waist pouches.

Geographic reach

The project covers approximately 2,400 sq. km. of Protected Areas in Maharashtra's Satara, Kolhapur, and Sindhudurg districts. This region is classified as a "Global Biodiversity Hotspot" by the IUCN and designated as a "UNESCO World Heritage Site."

Conclusion and Vision for the Future

Learnings from the past year

At Vinati Organics, collaboration has always been our guiding principle as we strive to create holistic and sustainable impact. We believe in leveraging the strengths and capabilities of various stakeholders, including the community, to achieve our goals. This year, we expanded the geographic reach of our programs and deepened our existing interventions to enhance the impact of our work.

Our interventions and activities in the past year have covered a wide range of areas, including education, healthcare, sanitation, water, livelihoods, community development, and environmental sustainability. Through this diverse engagement, we aim to continue our comprehensive and holistic approach, amplifying our reach and impact, and advancing our vision for inclusive growth in the communities we serve. Our commitment to collaboration and community empowerment drives us forward in our pursuit of positive and lasting change.

Corporate Information

Board of Directors

Mr. Vinod Saraf
(DIN:00076708)
Chairman

Ms. Vinati Saraf Mutreja
(DIN:00079184)
Managing Director & CEO

Ms. Viral Saraf Mittal
(DIN:02666028)
Director-CSR

Ms. Mona Bhide
(DIN: 05203026)
Independent Director

Mr. Adesh Kumar Gupta
(DIN: 00020403)
Independent Director

Prof. M. Lakshmi Kantam
(DIN: 07831607)
Independent Director

Mr. J. C. Laddha
(DIN: 00118527)
Independent Director

Mr. Jayesh Ashar
(DIN: 00041532)
Director – Operations

Chief Financial Officer

Mr. N. K. Goyal

Company Secretary & Compliance Officer

Mr. Milind Wagh

Bankers

State Bank of India, Citibank N.A. & HDFC Bank Ltd.

Auditors

M M Nissim & Co. LLP, Chartered Accountants

Registered Office & Mahad Works

B-12 & B-13/1, MIDC Indl. Area, Mahad – 402 309, Dist. Raigad, Maharashtra.

Lote Works

A-20, MIDC, Lote-Parashuram-415 722, Taluka – Khed, Dist. Ratnagiri, Maharashtra.

Registrar & Transfer Agents

M/s. Link Intime India Pvt. Ltd., C – 101, 247 Park, L B S Marg, Vikhroli (West), Mumbai – 400 083.

Corporate Office

Parinee Crescenzo, 1102, A Wing, 11th Floor, "G" Block, Plot No. C38 & C39, Behind MCA, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051.

Board's Report

To the Members,

Your Directors have immense pleasure in presenting the Thirty-Fourth (34th) Annual Report on the business and operations of your Company together with the Audited Financial Statements for the financial year ended March 31, 2023.

1) FINANCIAL RESULTS:

The summarized financial performance for the year ended March 31, 2023, on a standalone and consolidated basis is given below:

(₹ in Lakhs)

Particulars	Consolidated		Standalone	
	31st March, 2023	31st March 2022	31st March 2023	31st March 2022
Net Sales/Income from Operations	208470.55	161551.18	208470.55	161551.18
Other Income	7242.72	6091.21	7242.72	6096.24
Total Income	**215713.27**	**167642.39**	**215713.27**	**167647.42**
Profit before Finance cost, Depreciation &Taxes	66784.85	49499.44	66785.70	49505.09
Finance cost	62.72	25.87	62.72	25.87
Profit before Depreciation & Taxes	66722.13	49473.57	66722.98	49479.22
Depreciation & Amortisation Expense	5193.92	4548.63	5193.92	4548.63
Profit before Taxation	**61528.21**	**44924.94**	**61529.06**	**44930.59**
Provision for Taxation - Current	14556.35	10146.00	14556.35	10146.00
Deferred	1205.72	1209.45	1205.72	1209.45
Earlier year adjustment	(31.29)	(1092.37)	(31.29)	(1092.37)
Profit for the year	**45797.43**	**34661.86**	**45798.28**	**34667.51**
Remeasurements of Defined benefit plans	(68.58)	(37.80)	(68.58)	(37.80)
Income Tax relating to items that will not be reclassified to profit or loss	17.26	9.51	17.26	9.51
Total other comprehensive income for the year, net of tax	(51.32)	(28.29)	(51.32)	(28.29)
Net Profit for the year	**45746.11**	**34633.57**	**45746.96**	**34639.22**

2) HIGHLIGHT OF THE COMPANY PERFORMANCE / REVIEW OF OPERATIONS (STANDALONE AND CONSOLIDATED):

On a Consolidated basis, total revenue from operations for Financial Year (FY) 2023 was ₹ 2,15,713.27 Lakh, higher by 28.67% over the previous year's revenue of ₹ 1,67,642.39 Lakh. The profit after tax (PAT) attributable to shareholders and non-controlling interests for FY 2023 was ₹ 45,797.43 Lakh. The PAT attributable to shareholders for FY 2023 was ₹ 45,746.11 Lakh.

On a Standalone basis, total revenue from operations achieved during the year is ₹ 2,15,713.27 Lakh compared to ₹ 1,67,647.42 Lakh in the previous year. The net profit after tax is ₹ 45,798.28 Lakh as compared to ₹ 34,667.51 Lakh in the previous year.

3) SHARE CAPITAL:

The paid-up Equity Share Capital as of March 31, 2023, stood at ₹ 1027.82 Lakh. During the financial year 2022-23, there was no change in the Share Capital of the Company. The Company neither has issued any shares nor has granted any Stock Options nor any Sweat Equity Shares during the year.

4) CREDIT RATING:

The CARE Rating Ltd. (CARE) has reaffirmed the ratings to the bank facilities of the Company as given below:

- Long-term/Short-term Bank Facilities – Rating reaffirmed CARE AA; Outlook revised from Stable to Positive / CARE A1+.
- Short-term Bank Facilities – Reaffirmed CARE A1+.

5) TRANSFER TO RESERVE:

The Company has not transferred any sum to the General Reserve during the financial year ended March 31, 2023.

6) STATE OF AFFAIRS:

The Company is engaged in the business of manufacturing Speciality organic intermediaries and monomers.

There has been no change in the business of the Company during the financial year ending March 31, 2023.

7) DIVIDEND:

The Board of Directors has recommended a dividend of ₹ 7/- (Rupees Seven only) per equity share i.e. 700% on the equity shares of the face value of ₹ 1/- (Rupees One) each. The final dividend on equity shares, if approved by the Members, would involve a cash outflow of ₹ 7194.74 Lakh.

Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of the Members w.e.f. April 1, 2020, and the Company is required to deduct tax at source (TDS) from dividends paid to the Members at prescribed rates as per the Income-tax Act, 1961.

For FY 2022, the Company paid a total dividend of ₹ 6.50/- per equity share of the face value of ₹ 1/- each. The total cash outflow for FY 2022 amounted to ₹ 6680.83 Lakh.

The dividend recommended is in accordance with the Company's Dividend Distribution Policy. The Dividend Distribution Policy, in terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations) is disclosed in this report as '**Annexure A**' also the same is uploaded on the Company's website https://vinatiorganics.com/wp-content/uploads/2021/05/Dividend-Distribution-Policy-12th-May-2018.pdf

8) SCHEME OF AMALGAMATION:

With reference to the ongoing the Scheme of Amalgamation of Veeral Additives Private Limited with Vinati Organics Limited and their respective shareholders ('Scheme'), Company Scheme Application was filed by the Companies involved in the Scheme seeking necessary directions from the Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT"), with respect to convening / dispensing with the meetings of shareholders and creditors of the respective companies.

Pursuant to the directions of the NCLT (a) meetings of the equity shareholders of the Company were convened and held on February 28, 2023 and the Scheme was approved with requisite majority by the equity shareholders of the Company in the meeting; and (b) the meeting of secured creditors of the Company was dispensed with by the NCLT in view of the consent affidavits provided by them. Similar consent from shareholders and creditors of the other Company involved in Scheme was obtained.

Subsequently, a Company Scheme Petition has been filed with the NCLT for approval and the NCLT vide order dated April 28, 2023 has admitted the said Scheme Petition. The Company is awaiting its final hearing and necessary directions from the NCLT in this regard.

9) SUBSIDIARY, ASSOCIATE AND JOINT VENTURE COMPANY:

Veeral Organics Pvt. Ltd. ('VOPL') is a Wholly Owned Subsidiary of Vinati Organics Limited (the "Company"). Other than VOPL, the Company does not have any Subsidiary, Associate, or Joint Venture Company.

Pursuant to Section 129(3) of the Companies Act, 2013 ("the Act") read with Rule 5 of the Companies (Accounts) Rules, 2014, the statement containing salient features of the financial statements of the Company's Subsidiary in Form AOC-1 is attached to the financial statements and not repeated in this report to avoid duplication.

The audited financial statement including the consolidated financial statement of the Company and all other documents required to be attached thereto is available on the Company's website and can be accessed at https://vinatiorganics.com/financial-information/

The financial statements of the subsidiary, as required, are available on the Company's website and can be accessed at https://vinatiorganics.com/other-information/

The Company has formulated a Policy for determining Material Subsidiary. The Policy is available on the Company's website and can be accessed at https://vinatiorganics.com/wp-content/uploads/2022/06/material-subsidiaries-policy.pdf

10) INSURANCE:

The properties and insurable interests of your company like Building, Plant and Machinery, Inventories, etc. are properly insured.

Directors & Officer's Liability (D & O) policy covers the Directors and Officers of the Company against the risk of third-party claims arising out of their actions/decisions in the normal course of discharge of their duties, which may result in financial loss to any third party.

11) DIRECTORS AND KEY MANAGERIAL PERSONNEL:

In accordance with the provisions of the Act and applicable clauses of the Articles of Association of the Company, Ms. Viral Saraf Mittal (DIN: 02666028), Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible has offered herself for re-appointment. The Board recommends her re-appointment as Director for your approval. The brief profile of Ms. Viral Saraf Mittal and the resolution for her appointment as Director is given in the Notice of the 34th Annual General Meeting (AGM), other than Mr. Vinod Saraf and Ms. Vinati Saraf Mutreja no other Directors and their respective relatives are interested in the said resolution.

The Company has 4 (four) Independent Directors, namely, Mr. J. C. Laddha, Mr. Adesh Kumar Gupta, Ms. Mona Bhide and Prof. M. Lakshmi Kantam. The Company has received all the applicable declarations under Section 149(7) of the Act, Rule 6(3) of the Companies (Appointment and Qualification of Directors) 5th Amendment Rules, 2019 and Regulation 16(1)(b) of the SEBI Listing Regulations from each Independent Director. There have been no circumstances affecting their status as Independent Directors of the Company. No Director of the Company is disqualified under any law to act as a Director.

The Board of Directors of the Company in its meeting held on May 19, 2023, pursuant to relevant sections of the Companies Act, 2013 and the relevant Rules made thereunder and the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subject to the approval of the members by passing a Special Resolution in the Annual General Meeting, have approved the re-appointment of Mr. Vinod Saraf as the Whole Time Director designated as Executive Chairman of the Company, Ms. Vinati Saraf Mutreja as Managing Director & CEO of the Company, Ms. Viral Saraf Mittal as the Whole Time Director designated as Director CSR of the Company, Mr. Jayesh Ashar as the Whole Time Director of the Company and Ms. Mona Bhide as an Independent Director of the Company.

The terms and conditions for the above-mentioned re-appointment of directors are given in their re-appointment resolutions read with accompanying explanatory statement in the 34th Annual General Meeting notice.

During the year under review, none of Non-Executive Directors of the Company had any material pecuniary relationship or transactions with the Company, other than sitting fees and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board/ Committee of the Company.

Key Managerial Personnel: Mr. Vinod Saraf - Chairman, Ms. Vinati Saraf Mutreja – Chief Executive Officer and Managing Director, Ms. Viral Saraf Mittal – Director CSR, Mr. Jayesh Ashar – Director Operations, Mr. N. K. Goyal – Chief Financial Officer (CFO) and Mr. Milind Wagh – Company Secretary & Compliance Officer are the Key Managerial Personnel of the Company in accordance with Sections 2(51) and 203 of the Act read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) for the time being in force).

12) POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS:

The Company's policy on Directors appointment and remuneration and other matters provided in Section 178(3) of the Act has been disclosed in the Corporate Governance Report, which forms part of this report. The Remuneration policy has been posted on the website of the Company at https://vinatiorganics.com/wp-content/uploads/2021/05/REMUNERATION-POLICY.pdf

13) DEPOSITS:

For the financial year 2022-2023, the Company did not invite or accept any Deposits within the meaning of Sections 73 and 76 of the Act and the relevant Rules made thereunder as such, no amount of principal or interest was outstanding as of the date of the balance sheet from the public.

14) FOREIGN EXCHANGE EARNINGS AND OUTGO:

The company had total foreign exchange earnings and outgo as provided below during the year ended March 31, 2023:

Foreign Exchange Earnings	-	₹ 1,44,141.86 Lakh
Foreign Exchange Outgo	-	₹ 20,247.41 Lakh

15) CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS & OUTGO:

Information as per Section 134(3)(m) of the Act, read with Companies (Accounts) Rules, 2014, relating to the above head are given in **Annexure 'A-1'** forming part of this report.

16) HUMAN RESOURCES:

The Company has effective HR systems to make the performance appraisals and working more transparent. Greater operational and financial details are shared with the management cadre with a view to having their deeper involvement and for the development of human resources. The Company has a Code of Business Ethics for its employees.

The Company Human Recourses function has played and continues to play an integral role in the Company's talent management process.

The permanent employee strength of the Company was 1097 as on March 31, 2023.

17) QUALITY INITIATIVES:

Sustained commitment to the highest levels of quality, best-in-class service management, robust information security practices and mature business continuity processes helped the Company attain significant milestones during the year.

18) LISTING:

The Company's equity shares are listed at BSE Limited and the National Stock Exchange of India Limited. We confirm that the Listing fee for the financial year 2023 – 24 has been paid. The stock code of the Company at BSE Limited is 524200 and the Symbol at the National Stock Exchange of India Limited is VINATIORGA.

19) SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS, COURTS AND TRIBUNALS:

No significant and material order has been passed by the Regulators, Courts, or Tribunals impacting the going concern status and Company's operations in the future.

20) DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of their knowledge and ability, confirm that:

i. in the preparation of the Annual Accounts, the applicable accounting standards have been followed;

ii. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

iii. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv. they have prepared the annual accounts on a going concern basis;

v. they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;

vi. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors and external consultants and the reviews performed by management and the relevant board committees, including the audit committee, the board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2022 – 23.

21) MATERIAL CHANGES AFTER THE BALANCE SHEET DATE (MARCH 31, 2023):

No material changes and commitments affecting the financial position of the Company have occurred between the Financial Year (FY 2022-2023) of the Company to which the financial statements relate and the date of this report.

22) CORPORATE GOVERNANCE AND MANAGEMENT'S DISCUSSION AND ANALYSIS REPORTS:

The Corporate Governance along with the certificate from the Auditors of the Company certifying compliance with the conditions of the Corporate Governance as required under the SEBI Listing Regulations and Management's Discussion and Analysis Reports, which form an integral part of this report, are set out in the separate annexure to this report. **(See Annexure 'B', 'C' & 'D').**

23) EMPLOYEES:

The Company is required to make disclosure under Section 134 of the Act for its employee drawing remuneration in excess of ₹ 1.02 Cr P.A. or ₹ 8.50 Lakh per month. **(See Annexure 'E')**

An employee holding 2% or more of the equity shares himself/herself or along with his/her spouse:

1. Mr. Vinod Saraf – Executive Chairman – 13900582 shares - 13.52%.
2. Smt. Kavita Vinod Saraf – Spouse – 12414456 shares - 12.08%.

24) NO CHANGE IN THE CLASS AND NATURE OF THE BUSINESS OF THE COMPANY OR ITS SUBSIDIARIES:

There has been no change in the class and nature of the business of the Company and its Subsidiary Company.

25) CORPORATE SOCIAL RESPONSIBILITY (CSR):

The Corporate Social Responsibility (CSR) Committee was constituted on May 10, 2014 and was reconstituted on June 13, 2020 as per Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. This Committee comprises of four Directors of the Company.

All the members of the Corporate Social Responsibility Committee i.e. Prof. M. Lakshmi Kantam – Chairperson of the Committee, Mr. Vinod Saraf – Chairman of Company, Ms. Vinati Saraf Mutreja - Managing Director & CEO, & Ms. Viral Saraf Mittal - Director CSR have good knowledge and exposure to utilize the Company's resources towards its CSR activities. The CSR Policy is available on Company's website https://vinatiorganics.com/wp-content/uploads/2021/05/CSR-Policy.pdf

The Company has worked with various foundations and NGOs for accomplishment of its CSR activities.

For the Financial year 2022-2023, the Company was required to spend ₹ 8.06/- crores (around 2% of the average net profits of the preceding three financial years) on CSR activities. Out of which the Company has spent ₹ 6.67/- crore and the balance unspent CSR amount of ₹ 1.39/- crores has been transferred to Separate Bank Account i.e. Unspent Corporate Social Responsibility Account (UCSRA) in accordance with a Section 135 of the Act. The Annual Report on CSR Activities is enclosed as **Annexure 'F'** to this Report.

26) ESOP/ ESOS:

During the year under review, the Company had not issued any shares under the "VOL Employee Stock Option Plan 2019" ("ESOP 2019"/ "Plan") Scheme of the Company. The ESOP 2019 Scheme is in compliance with the SEBI (Share Based Employee Benefits) Regulations, 2014 ('the SBEB Regulations').

Pursuant to the approval by the shareholders, the Company can grant up to 200000 options to the eligible employees of the Company under the ESOP 2019.

27) POLICY ON PREVENTION OF SEXUAL HARASSMENT AT THE WORKPLACE:

The Company has in place a Policy on the Prevention of Sexual Harassment at the Workplace in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("Prevention of Sexual Harassment of Women at Workplace Act") and Rules framed thereunder. The Company has formed an Internal Complaints Committee consisting of Ms. Vinati Saraf Mutreja, Managing Director & CEO, Ms. Viral Saraf Mittal, Director CSR, and Advocate Ms. Satyapriya M. Rao - Member to redress complaints received regarding Sexual Harassment.

The Company has ensured that awareness gets created amongst all the employees about the corporate policy against sexual harassment in the workplace.

During the period under review, no complaints were received. The Company is committed to providing a safe and conducive work environment to all of its employees and associates. The Sexual Harassment policy posted on the website of the Company at https://vinatiorganics.com/wp-content/uploads/2021/05/POLICY-AGAINST-SEXUAL-HARASSMENT.pdf

28) ANNUAL RETURN:

As per provisions of Section 92 (3) and 134 (3) (a) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014 as amended from time to time, the copy of the Annual Return in the Form MGT-7 is placed on the website of the Company at https://vinatiorganics.com/wp-content/uploads/2022/06/Form_MGT-7-FY-22-23.pdf.

29) RISK MANAGEMENT:

The Board of the Company has formed a Risk Management Committee to frame, implement and monitor the risk management plan for the Company. The committee is responsible for reviewing the risk management plan and ensuring its effectiveness. The Audit Committee has additional oversight in the area of financial risks and controls. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. The Risk Management Policy has been posted on the website of the Company at https://vinatiorganics.com/wp-content/uploads/2021/05/RISK-MANAGEMENT-POLICY.pdf

30) PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS:

The particulars of Loans given, Guarantees given, securities provided and investments made by the Company are within the limits prescribed under Section 186 of the the Act and details for the same are given in the notes to the financial statements.

31) PARTICULARS OF EMPLOYEES:

The information required under Section 197 of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

a. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year:

Sr. No.	Whole-Time Directors	Ratio to the median remuneration
1.	Mr. Vinod Saraf, Chairman	33.59
2.	Ms. Vinati Saraf Mutreja, Managing Director & CEO	23.63
3.	Ms. Viral Saraf Mittal, Director – CSR	13.45
4.	Mr. Jayesh Ashar, Director - Operations	21.08

b. The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary in the financial year:

Sr. No.	Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary	% increase in remuneration in the financial year
1.	Mr. Vinod Saraf, Chairman	10%
2.	Ms. Vinati Saraf Mutreja, Managing Director & CEO	10%
3.	Ms. Viral Saraf Mittal, Director – CSR	10%
4.	Mr. Jayesh Ashar, Director – Operations	8.61%
5.	Mr. N. K. Goyal, Chief Financial Officer	10%
6.	Mr. Milind Wagh, Company Secretary	12%

c. The percentage increase in the median remuneration of employees in the financial year: 8.67%.

d. The number of permanent employees on the Roll of Company: 1097.

e. The explanation of the relationship between average increase in remuneration and Company performance:

The increase in remuneration is in line with the market trends. In order to ensure that remuneration reflects company performance, the performance pay is also linked to organization performance, apart from an individual's performance.

f. Comparison of the remuneration of the key managerial personnel against the performance of the Company:

Aggregate remuneration of key managerial personnel (KMP) in FY23 (₹ in Lakh)	695.22
Revenue (₹ in Lakh)	208470.55
Remuneration of (KMP) as a percentage of revenue	0.33%
Profit before tax (PBT) (₹ in Lakh)	61,529.06
Remuneration of (KMP) as % of PBT	1.13%

g. Variations in the market capitalization of the Company, price-earnings ratio as at the closing date of the current financial year and previous financial year:

Particulars	March 31, 2023	March 31, 2022	% change
Market Capitalization (₹ in Lakh)	1858711	2004250	-7.26
Price Earnings Ratio	45.6	57.83	-21.15

h. Percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer:

Particulars	March 31, 2023 (₹)	November 11, 1991 (IPO)*	% change
Market Price (BSE)	1808	0.67	269850%
Market Price (NSE)	1808	0.67	269850%

* Adjusted for 1:2 bonus issue in 2007, splits of face value of shares from ₹ 10/- to ₹ 2/- and from ₹ 2/- to ₹ 1/- on March 11, 2009, and February 6, 2020, respectively.

i. 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:

The average increase in managerial remuneration was 10% only.

j. Comparison of each remuneration of the Key Managerial Personnel against the performance of the Company:

(₹ in Lakhs)

Name	Total Remu-neration	% of revenue 208470.55	% of net profit before tax 61,529.06
Mr. Vinod Saraf, Chairman	202.51	0.10	0.33
Ms. Vinati Saraf Mutreja, Managing Director & CEO	150.75	0.07	0.25
Ms. Viral Saraf Mittal, Director – CSR	85.93	0.04	0.14
Mr. Jayesh Ashar, Director – Operations	122.65	0.06	0.20
Mr. N. K. Goyal, Chief Financial Officer	96.44	0.05	0.16
Mr. Milind Wagh, Company Secretary	37.44	0.02	0.06

k. The key parameters for any variable component of remuneration availed by the directors:

No variable component is paid.

l. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year: None.

m. Affirmation that the remuneration is as per the remuneration policy of the Company:

The Company affirms remuneration is as per the remuneration policy of the Company.

n. The statement containing particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report. Further, the report and the accounts are being sent to the members excluding the aforesaid annexure. In terms of Section 136 of the Act, the said annexure is open for inspection at the Registered Office of the Company. Any shareholder interested in obtaining a copy of the same may write to the Company Secretary.

32) WHISTLE BLOWER POLICY/VIGIL MECHANISM:

The Company has adopted a Whistle Blower Policy to provide a formal mechanism to the Directors and employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy. The Policy provides for adequate safeguards against the victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Audit Committee. The Whistle Blower Policy has been posted on the website of the Company at https://vinatiorganics.com/wp-content/uploads/2021/05/Whistle-Blower-Policy.pdf

33) TRANSACTION WITH RELATED PARTIES:

All the transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. The Audit Committee had given omnibus approval for the transactions (which are repetitive in nature) and the same was reviewed and approved by the Board. The details of all such transactions executed with related parties are placed before the Audit Committee on a quarterly basis for their review and consideration.

Information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with rule 8(2) of the Companies (Accounts) Rules, 2014 are given in **Annexure 'G'** in Form AOC – 2 and the same forms part of this report.

34) BOARD EVALUATION:

The Board of Directors has carried out an annual evaluation of its own performance, Board Committees and individual directors pursuant to the provisions of the Act and SEBI Listing Regulations, 2015.

The performance of the Board was evaluated after seeking inputs from all the Directors on the basis of the criteria such as the Board composition and structure, effectiveness of Board meetings, information and functioning, etc.

The performance of the Committees was evaluated by the Board after seeking inputs from the Committee members

on the basis of the criteria such as the composition of Committees, effectiveness of Committees meetings, etc.

The above criteria are based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017.

The Board and the Nomination and Remuneration Committee ("NRC") reviewed the performance of the individual Directors including Independent Directors, on the basis of the criteria such as the contribution of the individual Director to the Board and Committee meetings and the preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

35) INDEPENDENT DIRECTORS' MEETING:

The Independent Directors of the Company met on February 06, 2023, inter-alia to discuss:

(i) Review the performance of Non-Independent Directors and the Board of Directors as a whole;

(ii) Review the performance of the Chairperson of the Company, taking into account the views of the Executive and Non-Executive Directors;

(iii) Assess the quality, quantity and timeliness of the flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

In a separate meeting of Independent Directors, the performance of non-independent directors, the performance of the Board as a whole and the performance of the Chairman were evaluated, taking into account the views of Executive Directors and Non-Executive Directors. The same was discussed in the Board Meeting that followed the meeting of the Independent Directors, at which the performance of the Board, its committees and individual directors was also discussed. **(Annexure 'H').**

36) NUMBER OF MEETINGS OF THE BOARD:

The Board of Directors of the Company met four (4) times during the year on May 14, 2022, August 06, 2022, November 07, 2022, and February 06, 2023.

37) INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The details in respect of internal financial control and their adequacy are included in the Management Discussion & Analysis Report, which forms part of this report.

38) AUDIT COMMITTEE:

The Audit Committee comprises Mr. J. C. Laddha (Chairman), Mr. Adesh Kumar Gupta and Ms. Mona Bhide. During the year under review, all recommendations made by the Audit Committee were accepted by the Board.

39) REPORTING OF FRAUDS:

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and/or Board under Section 143(12) of the Act and the rules made thereunder.

40) TRANSFER OF SHARES TO INVESTOR EDUCATION AND PROTECTION FUND:

As required under Section 124 of the Act, 33701 equity shares, in respect of which dividend has not been claimed by the members for seven consecutive years or more, have been transferred by the Company to the Investor Education and Protection Fund Authority (IEPF) during the financial year 2022–23. Details of shares transferred have been uploaded on the website of IEPF as well as the Company.

41) AUDITORS AND AUDIT REPORTS:

(i) Statutory Auditors and their Report:

The Members at the 33rd Annual General Meeting of the Company held on September 14, 2022, had re-appointed M. M. Nissim & Co LLP, Chartered Accountants (Firm Registration No. ICAI/FRN/107122W/W100672) as the Statutory Auditor of the Company to hold office for a term of five years i.e., from the conclusion of the said 33rd Annual General Meeting until the conclusion of 38th Annual General Meeting of the Company to be held in the year 2027.

There are no qualifications, reservations or adverse remarks or disclaimers made by the Auditors in their report on the Financial Statements of the Company for the Financial Year ended March 31, 2023.

During the year under review, the Statutory Auditors had not reported any matter under Section 143(12) of the Act, therefore no detail is required to be disclosed under Section 134(3)(ca) of the Act.

(ii) Cost Auditors and Cost Audit Report:

As per the requirements of Section 148 of the Act, read with the Companies (Cost Records and Audit) Rules, 2014, maintenance of Cost Records is applicable to the Company and the Audit of the said

Cost Records is being carried out every year. The Board of Directors, based on the recommendation of the Audit Committee and the certification from the Cost Auditors certifying their independence and arm's length relationship with your Company, has appointed M/s. N. Ritesh & Associates, Cost Accountants, as Cost Auditor of the Company for conducting the Cost Audit for the Financial Year 2023 – 24, on such remuneration as mentioned in the Notice of the 34th Annual General Meeting of the Company. A resolution seeking Member's ratification for the remuneration payable to the Cost Auditor forms part of the Notice of 34th Annual General Meeting and the same is recommended for your consideration and ratification.

In accordance with Companies (Cost Records and Audit) Rules, 2014, the Cost Audit Report for the Financial Year ended 31.03.2022 was filed in XBRL on 11/11/2022 vides SRN: F42463182 with the Ministry of Corporate Affairs, New Delhi.

During the year under review, the Cost Auditor had not reported any matter under Section 143(12) of the Act, therefore no detail is required to be disclosed under Section 134(3)(ca) of the Act.

(iii) Secretarial Auditor and Secretarial Audit Report:

Pursuant to the provisions of Section 204 of the Act and the rules made thereunder, the Company had appointed M/s. VKM & Associates, Practising Company Secretaries, to undertake the Secretarial Audit of the Company for the year ended March 31, 2023. The Secretarial Audit Report issued in this regard is annexed as **Annexure 'I'**.

There are no observations or adverse remarks made in the Secretarial Audit Report by the Auditors.

During the year under review, the Secretarial Auditor had not reported any matter under Section 143(12) of the Act, therefore no detail is required to be disclosed under Section 134(3)(ca) of the Act.

(iv) Annual Secretarial Compliance Report:

The Company has undertaken an audit for the Financial Year 2022-2023 for all applicable compliances as per Securities and Exchange Board of India Regulations and Circulars/Guidelines issued thereunder. The Annual Secretarial Compliance Report duly signed by Mr. Vijay Mishra Partner of M/s. VKM & Associates, Practising Company Secretaries have been submitted to the Stock Exchanges within 60 days of the end of the Financial Year 2022-23.

42) COMPLIANCE WITH SECRETARIAL STANDARDS:

The Company has followed the applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to Meetings of the Board of Directors and General Meetings respectively.

43) CORPORATE POLICIES AND PROCEDURES ON INTERNAL FINANCIAL CONTROLS:

The Corporate Policies and Procedures on Internal Financial Controls policy has been posted on the website of the Company at https://vinatiorganics.com/wp-content/uploads/2021/05/CORPORATE-POLICY-ON-INTERNAL-FINANCIAL-CONTROL.pdf

44) BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT:

The Company endeavours to cater to the needs of the communities it operates in thereby creating maximum value for the society along with conducting its business in a way that creates a positive impact and enhances stakeholder value. As per Regulation 34(2)(f) of the SEBI Listing Regulations, the Business Responsibility & Sustainability Report is attached and is a part of this Annual Report as set out in **Annexure 'J'** of this report and is also available on Company's website www.vinatiorganics.com.

45) STATUTORY DISCLOSURES:

There were no transactions/events with respect to the following items during the financial year under review and accordingly no disclosure or reporting is required with respect to the same:

1. Deposit from the public falling within the ambit of Section 73 of the Act and the Companies (Acceptance of Deposits) Rules, 2014.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Receipt of any remuneration or commission by the Managing Director/Whole-time Director of the Company from any of its subsidiaries/ other Companies.
4. Significant or material orders passed by the regulators or courts or tribunals which impact the going concern status and the Company's operations in the future.
5. Buyback of shares.

6. Material changes and commitments, affecting the financial position of the Company that have occurred between the end of the financial year to which the financial statements relate and the date of this Directors' Report unless otherwise stated in the report. The details pertaining to the composition of various Committees of the Board including the Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee, Risk Management Committee and Corporate Social Responsibility Committee and the details of the establishment of Vigil Mechanism are included in the Corporate Governance Report, which is a part of this report.

   The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

46) APPRECIATION & ACKNOWLEDGEMENTS:

Your Directors take this opportunity to place on record their sincere gratitude for assistance and cooperation received from Central & State Governments, banks, financial institutions, shareholders, business associates and esteemed customers for their continued support and assistance during the year.

Your Directors also place on record their appreciation for the excellent contribution made by all employees of Vinati Organics Limited through their commitment, competence, co- operation and diligence to duty in achieving consistent growth of the Company.

Registered Office:
B-12 & B-13/1, MIDC Industrial Area,
Mahad – 402 309, Dist. Raigad, Maharashtra.
Tel No.: 022-61240444/428, Fax No.: 022-61240438
Email: shares@vinatiorganics.com
Website: www.vinatiorganics.com
CIN: L24116MH1989PLC052224
Mumbai, May 19, 2023

For and on behalf of the Board of Directors

Vinod Saraf
Executive Chairman
(DIN: 00076708)

Annexure-A

Dividend Distribution Policy

As adopted by the Board of Directors on 12th May, 2018

This policy applies to the distribution of dividend by Vinati Organics Limited (the "Company") in accordance with the provisions of the Companies Act, 2013 ("Act") and the SEBI Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Regulations).

Definitions

The terms referred to in the policy will have the same meaning as defined under the Act and the Rules made thereunder, and the SEBI Regulations.

Background

SEBI has, through its notification dated July 8, 2016, released the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, incorporating Regulation 43 A – Dividend Distribution Policy requiring the top five hundred listed entities based on market capitalization (calculated as on March 31 of every financial year) to formulate a dividend distribution policy which shall be disclosed in their annual reports and on their websites.

This Policy sets out the parameters and circumstances that will be taken into account by the Board of Directors of the Company in determining the distribution of dividend to its shareholders and/or retaining profits earned by the Company. The Board of Directors may in extraordinary circumstances, deviate from the parameters listed in this policy.

A. The circumstances under which the shareholders may or may not expect dividend;

The Company shall comply with the relevant statutory requirements that are applicable to the Company in declaring dividend or retained earnings. Generally, the Board shall determine the dividend for a particular period after taking into consideration the financial performance of the Company, the advice of executive management, and other parameters described in this policy.

B. The financial /internal parameters that shall be considered while declaring dividend;

The Board of Directors of the Company shall consider the following financial parameters while declaring dividend or recommending dividend to shareholders:

- Capital allocation plans including:
  - Expected cash requirements of the Company towards working capital, capital expenditure to meet expansion needs;
  - Investments required towards execution of the Company's strategy;
  - Funds required for any acquisitions that the Board of Directors may approve; and
  - any share buy-back plans.
- Minimum cash required for contingencies or unforeseen events;
- Funds required to service any outstanding loans;
- Liquidity and return ratios;
- Any other significant developments that require cash investments.

C. External factors that shall be considered for declaration of dividend;

The Board of Directors of the Company shall consider the following external parameters while declaring dividend or recommending dividend to shareholders:

- Any significant changes in macro-economic environment affecting India or the geographies in which the Company operates, or the business of the Company or its clients;
- Any political, tax and regulatory changes in the geographies in which the Company operates;
- Any significant change in the business or technological environment resulting in the Company making significant investments to effect the necessary changes to its business model;
- Any changes in the competitive environment requiring significant investment.

D. Policy as to how the retained earnings shall be utilized.

The consolidated profits earned by the Company can either be retained in the business and used for various purposes as outlined in clause (b) above or it can be distributed to the shareholders.

E. Provisions in regard to various classes of shares.

The provisions contained in this policy shall apply to all classes of Shares of the Company. It may be noted that currently the Company has only one class of shares, namely, Equity Shares.

Review

This policy will be reviewed and amended as and when required by the Board.

Limitation and Amendment

In the event of any conflict between the Act or the SEBI Regulations or any other statutory enactments ("Regulations") and the provisions of this policy, the Regulations shall prevail over this policy. Any subsequent amendment/modification in the Regulations, in this regard, shall automatically apply to this policy.

Annexure 'A-1'

Details of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo

a) CONSERVATION OF ENERGY:

The Company is engaged in the continuous process of further energy conservation through improved operational and maintenance practices and has also undertaken effective measures to minimize energy consumption the above measures have resulted / will result in less consumption of power, fuel and coal, ultimately resulting in savings in the cost of production.

The Company has commissioned 2 solar power plants – 7 MW at Solapur and 7.5 MW at Tuljapur in this direction. Approximately 55% of the Company's electricity consumption is met through renewable sources. After the successful commissioning and good generation at both power plants, the Company has decided to go ahead with an additional 11.25 MW solar power plant at village Sawargoan, Taluka Tuljapur District Osmanabad. Erection work of the above plant is in progress and expected to be commissioned during FY24.

The Company has undertaken Energy Audits in its plants to identify excess energy consumption and intends to reduce the same to the best possible extent. The Company has implemented a project for increasing condensate recovery and recycling of DM Water in its Co-Gen Power plant so as to reduce the consumption of coal and DM Water. The Company has also installed energy efficient pumping system to reduce overall load on utilities like power.

Your Company continues to strive to improve operational efficiency in its operations to conservation of energy and optimization of resource consumption.

b) TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION:

(i) Efforts, in brief, made towards technology absorption, adoption and innovation

The technologies acquired by the Company in the past for the production of IBB, ATBS, IB and other products have been fully absorbed. The technologies have been further upgraded over the years through in-house innovation and knowledge engineering to achieve better material and energy efficiencies.

(ii) Benefits derived as a result of the above efforts, e.g. product improvement, cost reduction, product development, import substitution etc

Full understanding of the technology helped the Company to identify and develop schemes for the recovery of by-products. Better process knowledge and simulation facilitated achievement of higher production volumes, quality improvement and energy conservation.

c) RESEARCH & DEVELOPMENT:

(i) Specific areas in which R & D is carried out by the Company

The R&D unit is engaged in developmental activities such as developing alternate products and attaining better production efficiencies.

To foster technical excellence and to maintain its leadership position, your Company continues to accord high priority to R&D.

(ii) Benefits derived as a result of the above efforts

The Company has been successful in new products and process development, quality, safety, standard, environmental protection measures and conservation of energy improvement.

At our Mahad plant, we recover pure NBB which is sold saperately and it is also used for manufacturing 4-Butylaniline.

At our Lote plant, we manufacture Tertiary Butyl Acrylamide and recover ATFE Bottom Polymers. Tertiary Butyl Acrylamide is also used to manufacture Tertiary Butyl Amine.

(iii) Future plans of action

R&D in the relevant areas of business operations will continue. Emphasis will be on adopting products and processes to improve performance, be more environmental friendly with a view to meeting customer needs.

d) FOREIGN CURRENCY EARNINGS AND OUTGO:

The details of Foreign Exchange Earnings & Expenditure in Foreign Currency is given in Note No. 25 of Notes to Accounts in Annual Report.

Annexure 'B'

Corporate Governance Report

Pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR / Listing Regulations), a Report on Corporate Governance is given below:

1. COMPANY'S PHILOSOPHY ON THE CODE OF GOVERNANCE

Your Company's objective is not only to meet the statutory requirements of the code but to go well beyond it by instituting such systems and procedures as are in accordance with the latest global trend of making management completely transparent and institutionally sound.

Your Company has always believed in the concept of good Corporate Governance involving transparency, empowerment, accountability and integrity with a view to enhancing stakeholder value. The Company has professionals on its Board of Directors who are actively involved in the deliberations of the Board on all important policy matters.

The Company is in compliance with provisions of the Companies Act, 2013 ("the Act"), Corporate Governance norms stipulated under Regulation 17 to 27 and Regulation 46 (2) (b) to (i) and (t) and para C, D and E of Schedule V of SEBI Listing Regulations and the relevant provisions prescribed under the Act and the Rules made thereunder.

2. BOARD OF DIRECTORS

(a) Composition:

The Company has an optimum combination of Executive and Non-Executive Directors, which conforms with Regulation 17 of the SEBI Listing Regulations read with Sections 149 and 152 of the Act. The Board of Directors (the "Board") periodically evaluates the need for change in its composition and size.

In compliance with Regulation 17 of SEBI LODR Regulations, fifty percent of the Company's Board of Directors comprise of Non-Executive Independent Directors with two Women Directors on the Board.

Detailed profiles of the Directors are available on the Company's website at https://www.vinatiorganics.com/board-of-director

None of the Directors on the Board is a Member of more than 10 Committees and Chairman of more than 5 Committees across all the companies in which he/she is a Director. All the Directors have made the requisite disclosures regarding Committee positions occupied by them in other Companies. However, it excludes directorship in Private Companies, Foreign Companies and Companies under Section 8 of the Act, Partnership Firms, LLP, HUF, Sole Proprietorship and Association of Individuals (Trust, Society).

The Company's Board at present has 8 Directors comprising one Executive Chairman, one Managing Director & CEO, two Whole Time Directors and four Non- Executive & Independent Directors.

In the opinion of the Board, the Independent Directors continue to fulfil the criteria prescribed for an Independent Director as stipulated in Regulation 16(1)(b) of the SEBI Listing Regulations and Section 149(6) of the Act.

None of the Directors are disqualified under section 164 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014.

Ms. Viral Saraf Mittal, Director (DIN: 02666028) who retires by rotation at the ensuing Annual General Meeting and is eligible, offers herself for re-appointment.

(b) Attendance at Board Meetings and details of Membership of Directors in other Boards & Board Committees:

The Board met four (4) times on the following dates during the financial year 2022 – 23 and the time gap between two meetings did not exceed one hundred and twenty (120) days between any two meetings and the meetings were conducted in compliance with all applicable laws. The necessary quorum was present for all the Board Meetings.

Date of the Meetings	Total Strength	No. of Directors' present
May 14, 2022	8	8
August 06, 2022	8	8
November 07, 2022	8	7
February 06, 2023	8	7

The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and at the last Annual General Meeting, as also the number of Directorships and Committee positions as held by them in other public limited companies as on March 31, 2023, are given below:

Name of Director	Category of Directorship	No. of Board Meetings Attended during FY 2022 – 23	Whether attended AGM held on 14th Sep. 2022.	No. of Directorships in other public limited companies	No. of shares held in the Company	No. of Committee positions held in other public limited companies		Directorship in other listed entities (Including debt listed)	
						Chairperson	Member	Name of the listed entity	Category of Directorship
Mr. Vinod Saraf, Executive Chairman	Promoter, Non-Independent & Executive Director	4	Yes	1	1,39,00,582	-	-	-	-
Mr. J. C. Laddha, Director	Independent Non-Executive Director	4	Yes	2	-	2	2	1) BSL Ltd. 2) Lagnam Spintex Ltd.	Independent Non-Executive
Ms. Vinati Saraf Mutreja, Managing Director & CEO	Promoter, Non-Independent & Executive Director	4	Yes	1	12,10,620	-	-	-	-
Ms. Viral Saraf Mittal, Director – CSR	Promoter, Non-Independent & Executive Director	3	No	1	10,42,366	-	-	-	-
Ms. Mona Bhide, Director	Independent Non-Executive Director	3	Yes	3	-	1	2	1) Datamatics Global Services Limited 2) PCS Technology Limited	Independent Non-Executive
Mr. Adesh Kumar Gupta, Director	Independent Non-Executive Director	4	Yes	6	-	5	6	1) India Pesticides Ltd. 2) Care Ratings Ltd 3) Zee Entertainment Enterprises Ltd. 4) Grasim Industries Ltd. 5) Krsnaa Diagnostics Ltd.	Independent Non-Executive
Prof. M. Lakshmi Kantam	Independent Non-Executive Director	4	Yes	3	-	1	-	1) Indo Amines Limited	Independent Non-Executive
Mr. Jayesh Ashar, Director	Non-Independent Executive Director	4	No	-	-	-	-	-	-

(c) Key Skills, Expertise and Competencies of the Board of Directors:

The Board is satisfied that the current composition reflects an appropriate mix of knowledge, skills, experience, diversity and independence. The Board provides leadership, strategic guidance, objective and independent view to the Company's management while discharging its fiduciary responsibilities, thereby ensuring that the management adheres to high standards of ethics, transparency and disclosure.

The Board has identified the following skills/expertise/ competencies fundamental for the effective functioning of the Company which are currently available with the Board:

General	Finance, Operations, Taxations, Banking, Legal and Human Resources related.
Global Business	Understanding of global business dynamics across various geographical markets, industry verticals and regulatory jurisdictions.
Strategy and Planning	Appreciation of long-term trends, strategic choices and experience in guiding and leading management teams to make decisions in uncertain environments.
Governance	Experience in developing governance practices, serving the best interests of all stakeholders, maintaining board and management accountability, building long-term effective stakeholder engagements and driving corporate ethics and values.

The core skills/expertise/competencies as identified by the Board of Directors as required in the context of the Company's business and sector for it to function effectively and those actually available with the Board as on March 31, 2023, are highlighted in Matrix below:

Skills/ Expertise/ Competencies	Mr. Vinod Saraf	Mr. J. C. Laddha	Ms. Vinati Saraf Mutreja	Ms. Viral Saraf Mittal	Ms. Mona Bhide	Mr. Adesh Kumar Gupta	Prof. M. Lakshmi Kantam	Mr. Jayesh Ashar
Strategy and Strategic Planning	✓	✓	✓	✓	✓	✓	✓	✓
Policy development	✓	✓	✓	✓	✓	✓	✓	✓
Leadership	✓	✓	✓	✓	✓	✓	✓	✓
Industry Experience	✓	✓	✓	✓	✓	✓	✓	✓
Science and Technology	✓	✓	✓	✓	✓	✓	✓	✓
Finance and Governance	✓	✓	✓	✓	✓	✓	✓	✓
Safety and Sustainability	✓	✓	✓	✓	✓	✓	✓	✓
Multiple Geography Experience	✓	✓	✓	✓	✓	✓	✓	✓
Risk and Compliance Oversight	✓	✓	✓	✓	✓	✓	✓	✓

(d) Familiarization Programme for Directors:

Regulation 25(7) of the SEBI Listing Regulations mandates the Company to familiarize the Independent Directors with the Company, their roles, rights, responsibilities in the Company, the nature of the industry in which the Company operates, the business model of the Company, etc. through various programmes. The Company through its Managing Director/ Whole Time Director/ Senior Managerial Personnel conducts programmes/ presentations periodically to familiarize the Independent Directors with the strategy, business and operations of the Company. Such programmes/presentations will provide an opportunity for the Independent Directors to interact with the senior leadership team of the Company and help them to understand the Company's strategy, business model, operations, services and product offerings, organization structure, finances, sales and marketing, human resources, technology, quality of products, facilities and risk management and such other areas as may arise from time to time.

The above program also includes the familiarization of statutory compliances as a Board member including their roles, rights and responsibilities. The Company also circulates news and articles related to the industry from time to time and provides specific regulatory updates. The Familiarization programme for Independent Directors in terms of Regulation 25(7) of the SEBI Listing Regulations is uploaded on the website of the Company https://vinatiorganics.com/wp-content/uploads/2023/03/FAMILIARIZATION-PROGRAMME-ID.pdf

At the time of appointing an Independent Director, a formal letter of appointment is given to him/her, which inter alia explains the role, function, duties and responsibilities expected from him/her as a Director of the Company. The Director also explained in detail the Compliances required from him/her under the Companies Act, 2013, SEBI Listing Regulations and other relevant provisions and affirmations taken with respect to the same.

Further, the Company has put in place a system to familiarize the Independent Directors about the Company, its products, its business and the ongoing events relating to the Company.

(e) Code of Conduct:

The Company has adopted the Code of Conduct for its Whole-Time Directors, Senior Management Personnel and other Executives which is available on the website of the Company at https://vinatiorganics.com/wp-content/uploads/2021/05/CODE-OF-CONDUCT-OF-THE-BOARD-SENIOR-MANAGEMENT-PERSONNEL.pdf.

The Board has also adopted a Code of Conduct for Non-Executive Directors, which incorporates the duties of Independent Directors as laid down in Schedule IV to the Act ('Code for Independent Directors') and Regulation 17(5) of the SEBI Listing Regulations and the same is available on the website of the Company at https://www.vinatiorganics.com/.

The Company has also adhered to a Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders and Code of Practices and Procedures for fair disclosure of Unpublished Price Sensitive Information (UPSI) pursuant to Regulation 8(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 is available on the Company's website at https://vinatiorganics.com/wp-content/uploads/2021/05/CODE-OF-PROCEDURES-FOR-INSIDERS-VOL.pdf.

(f) Shareholdings of Directors as on 31.03.2023 are as under:

Sr. No.	Name of Directors		No. Equity Shares
1.	Mr. Vinod Saraf	:	13900582
2.	Ms. Vinati Saraf Mutreja	:	1210620
3.	Ms. Viral Saraf Mittal	:	1042366

Apart from the above promoter directors, no other director holds any shares in the Company. Further, the Company has not issued any convertible instruments.

(g) Relationships between Directors as on 31.03.2023 are as under:

Sr. No.	Name of Directors		Relationship
1.	Mr. Vinod Saraf	:	Father
2.	Ms. Vinati Saraf Mutreja	:	Daughter
3.	Ms. Viral Saraf Mittal	:	Daughter

Except for the directors mentioned above none of the other directors of the Company are related to each other and there are no inter se relationships between them.

3. AUDIT COMMITTEE

a. Constitution:

The Audit Committee has been duly constituted in compliance with Section 177 of the Act and the relevant Rules made thereunder read with SEBI Listing Regulations.

b. Composition:

The Audit Committee comprised of the following Directors of the Company:

Sr. No.	Name of Director	Designations of Director
1.	Mr. J. C. Laddha	Independent Director – Chairman
2.	Ms. Mona Bhide	Independent Director-Member
3.	Mr. Adesh Kumar Gupta	Independent Director-Member

All members of the Audit Committee have good exposure to finance as well as general management.

c. Meetings & Attendances

The Audit Committee met four times in the financial year 2022 – 23.

Date of the Meeting	Total Strength	No. of Directors present
May 14, 2022	3	3
August 06, 2022	3	3
November 07, 2022	3	3
February 06, 2023	3	2

The necessary quorum was present at the meetings.

Mr. Milind Wagh being the Company Secretary of the Company acts as the Secretary to the Committee.

d. Terms of reference:

The primary role of Audit Committee is to provide oversight of the financial reporting process, the audit process, the Company's system of internal controls, all financial results, statements and disclosures and recommend the same to the Board; review the internal audit reports and discuss the same with the internal auditors; review internal control systems and procedures; evaluation of internal financial controls and risk management systems and their effectiveness; discussion with the statutory auditors on their findings, scope of audit, post audit discussion, auditor's independence, adequacy of internal audit functions, audit qualifications, if any; to

decided appointment, removal and remuneration of auditors; review of any changes in accounting policies and practices; reviewing approval and disclosure of all related party transactions; reviewing with the management the performance of the statutory and internal auditors and their remuneration; compliance with SEBI Listing Regulations, company law and other legal requirements and compliances; reviewing the Company's financial and risk management plan, policies and its implementation; reviewing the functioning of vigil mechanism / whistle blower policy; and guidelines and internal control.

The Statutory Auditor, Internal Auditor and Cost Auditor are regular invitees at the Audit Committee Meetings of the Company. The Audit Committee holds discussions with the Statutory Auditor on the "Limited Review Report" on the quarterly financials of the Company submitted to the Exchanges, half-yearly, nine months, the yearly Audit Plan, matters relating to compliance with Accounting Standards, their observations arising from the annual audit of the Company's accounts and other related matter. The Committee also hold discussions with the Cost Auditor on his points in the Annual Cost Audit Report and allied matters.

The terms of reference of the Audit Committee include the indentures as prescribed under Section 177 of the Act read with applicable regulations of the SEBI (LODR) Regulation, 2015.

4. SUBSIDIARY, ASSOCIATE, OR JOINT VENTURE COMPANIES

Veeral Organics Pvt. Ltd. (VOPL) is the Wholly Owned Subsidiary of Vinati Organics Limited, apart from VOPL there is no other Company that is an associate, subsidiary and joint venture of the Company.

5. SHARE TRANSFER COMMITTEE

The Share Transfer Committee of the Board comprises the following Directors:

(i) Mr. Vinod Saraf, Executive Chairman

(ii) Ms. Vinati Saraf Mutreja, Managing Director & CEO

(iii) Ms. Viral Saraf Mittal, Director CSR

Mr. Milind Wagh, being the Company Secretary of the Company acts as the Secretary to the Committee. The Committee met 5 times during the year 2022-2023 for approving transfers and transmissions of securities. All transfers & transmissions were approved and share certificates were dispatched within 21 days and requests for dematerialization were confirmed within 21 days.

6. STAKEHOLDERS RELATIONSHIP COMMITTEE

a. Terms of Reference:

The terms and reference of the Committee is as defined under Section 178 of the Act and read with SEBI Listing Regulations.

b. Composition:

The Stakeholders Relationship Committee of the Company has been duly constituted in compliance with the provisions of Section 178 of the Act and the SEBI Listing Regulations and comprises the following Directors:

Sr. No.	Name of Director	Designations of Director
1.	Prof. M. Lakshmi Kantam	Chairperson - Independent Director
2.	Mr. Vinod Saraf	Member – Chairman of the Company
3.	Ms. Vinati Saraf Mutreja	Member – Managing Director & CEO

c. Meetings & Attendances:

The Stakeholders Relationship Committee met on the following date in the financial year 2022- 23.

Date of the Meeting	Total Strength	No. of Directors present
March 30, 2023	3	2

d. Investor Complaints:

Details of the investor's Complaints received and redressed by the Company during the financial year 2022 – 2023 are as follows.

Opening Balance	Received During the year	Resolved during the Year	Closing Balance
3	8	11	0

Mr. Milind Wagh being the Company Secretary of the Company acts as the Secretary to the Committee and is the compliance officer of the Company under Regulation 6 of the SEBI Listing Regulations.

7. NOMINATION & REMUNERATION COMMITTEE

a. Constitution:

The Remuneration Committee has been duly constituted in compliance with the provisions of Section 178 of the Act and the SEBI Listing Regulations.

b. Composition:

The Committee comprised of 3 Directors:

Sr. No.	Name of Director	Designations of Director
1.	Prof. M. Lakshmi Kantam	Chairperson - Independent Director
2.	Ms. Mona Bhide	Independent Director - Member
3.	Mr. J. C. Laddha	Independent Director - Member

All the members of the Nomination & Remuneration Committee have good exposure to finance as well as general management.

Mr. Milind Wagh being the Company Secretary of the Company acts as the Secretary to the Committee.

c. Meeting & Attendances:

The Nomination and Remuneration Committee met on the following date in the financial year 2022 – 23.

Date of the Meeting	Total Strength	No. of Directors present
February 06, 2023	3	2

d. Nomination & Remuneration Policy:

As required by Section 178(3) of the Act and Regulation 19 of the SEBI Listing Regulations, the Company has adopted a Remuneration Policy. The policy is available on the Company's website at https://vinatiorganics.com/wp-content/uploads/2021/05/REMUNERATION-POLICY.pdf.

The Non-Executive Independent Directors are paid Sitting fees for attending each meeting of the Board and Committees thereof. The Company has also obtained a Directors and Officers Liability Insurance Policy covering all Directors and Officers of the Company in respect of any legal action that might be initiated against any Director or Officer of the Company.

e. Remuneration of Directors:

Executive Directors:

The Company pays remuneration by way of salary, benefits, perquisites and allowances (fixed component) to its Executive Director Annual increments are recommended by the Nomination & Remuneration Committee ("NRC") within the salary scale approved by the Members of the Company.

Details of remuneration paid to the Executive Directors for the year ended March 31, 2023.

₹ in Lakhs

Name	Salary & Allow-ances	Contri-bution To PF	Other Perqu-isites
Mr. Vinod Saraf, Chairman	184.07	16.98	1.46
Ms. Vinati Saraf Mutreja Managing Director & CEO	128.89	11.88	9.98
Ms. Viral Saraf Mittal Director – CSR	72.83	6.71	6.39
Mr. Jayesh Ashar Director – Operations	114.64	7.57	4.38
Total:	**500.43**	**43.14**	**22.21**

Non-Executive Directors:

Non-Executive Directors shall be paid sitting fees for attending the Meetings of the Board and of Committees of which they are members, as recommended by the NRC and approved by the Board.

Details of remuneration paid to the Non-Executive Directors for the year ended March 31, 2023.

₹ in Lakhs

Sr. No.	Name of Directors	Sitting Fee paid
1.	Mr. J. C. Ladhha	3.50
2.	Ms. Mona Bhide	2.75
3.	Mr. Adesh Kumar Gupta	3.25
4.	Prof. M. Lakshmi Kantam	2.50
	Total:	**12.00**

f. Terms of Reference:

The primary role and terms of reference of the Nomination and Remuneration Committee ("NRC") include the indentures as prescribed under section 178 of the Act and Regulation 19 of SEBI Listing Regulations.

The broad terms of reference of NRC include identifying persons who are qualified to become directors and who may be appointed to senior

management positions in accordance with the prescribed criteria; recommending to the Board their appointment or removal and carrying out an evaluation of each Director's performance; formulating criteria for determining qualifications, experience, positive attributes and independence of a Director; recommending to the Board Remuneration Policy for the Directors, Key Managerial Personnel and other employees; formulating criteria for evaluation of Independent Directors and the Board; devising a policy on Board diversity; decide whether to extend or continue the term of appointment of Independent Director on the basis of the report of performance evaluation of Independent Directors; and recommend to the Board, all remuneration, in whatever form, payable to Senior Management of the Company.

8. RISK MANAGEMENT COMMITTEE

The Risk Management Committee ("RMC") was constituted pursuant to Regulation 21 of the Listing Regulations. As per the SEBI Listing Regulations, the RMC guidelines are applicable to the top 1000 listed entities determined on the basis of market capitalization, as at the end of the immediate previous financial year are required to constitute RMC with effect from April 1, 2019.

a. Constitution:

The Risk Management Committee reviews the process of risk management in your Company and has been duly constituted in compliance with the SEBI Listing Regulations with the relevant provisions of the Act and the Rules made thereunder.

b. Composition:

The Risk Management Committee was comprised of the Board of Directors of the Company:

Sr. No.	Name of Director	Designations of Director
1.	Ms. Mona Bhide	Chairperson - Independent Director
2.	Mr. Vinod Saraf	Member - Chairman of the Company
3.	Ms. Vinati Saraf Mutreja	Member - Managing Director & CEO
4.	Ms. Viral Saraf Mittal	Member - Director of CSR

All the members of the Risk Management Committee mentioned above have good exposure to finance as well as general management.

c. Meetings & Attendances:

During the period under review, Two Meetings of the Risk Management Committee were held as on the following dates:

Date of the Meeting	Total Strength	No. of Directors present
September 15, 2022	4	4
March 11, 2023	4	3

d. Power of Risk Management Committee:

The Committee is authorized to exercise all powers and discharge all functions related to risk management. The Risk Management Committee reviews the process of risk management in your company.

e. Terms of Reference:

The RMC looks into various risks which may impact the Company's ability to achieve its strategy, objectives and results. The RMC looks into all risks, including but not limited to changes in the external environment, regulatory developments, business transactions, legal, financial and ethical compliance matters, information technology / cyber security and compliance with contractual obligations.

9. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

a. Constitution:

As required under Section 135(1) of the Act, the Board constituted a Corporate Social Responsibility Committee on May 10, 2014, and reconstituted on January 27, 2015, and June 13, 2020 respectively.

b. Composition:

The Corporate Social Responsibility Committee has comprised of the following 4 Directors of the Company:

Sr. No.	Name of Director	Designations of Director
1.	Prof. M. Lakshmi Kantam	Chairperson - Independent Director
2.	Mr. Vinod Saraf	Member - Chairman of the Company

Sr. No.	Name of Director	Designations of Director
3.	Ms. Vinati Saraf Mutreja	Member - Managing Director & CEO
4.	Ms. Viral Saraf Mittal	Member - Director of CSR

All the members of the Corporate Social Responsibility Committee mentioned above have good knowledge and exposure to utilize the Company's resources towards its Corporate Social Responsibility.

c. Meetings & Attendances:

The Corporate Social Responsibility Committee met on the following date during the last financial year.

Date of the Meeting	Total Strength	No. of Directors present
March 24, 2023	4	4

d. Power of Corporate Social Responsibility Committee:

The Committee is authorized to exercise all powers available to them as per the Companies Act, 2013.

10. SEXUAL HARASSMENT COMMITTEE

a. Constitution:

The Sexual Harassment Committee has been formed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

b. Composition:

The Sexual Harassment Committee comprised the following 2 Directors of the Company and 1 independent person.

Ms. Vinati Saraf Mutreja, Managing Director & CEO.

Ms. Viral Saraf Mittal, Director – CSR.

Ms. Satyapriya Rao – Member.

c. Meetings & Attendances:

The Sexual Harassment Committee met on the following date during the financial year 2022-23.

Date of the Meeting	Total Strength	No. of Members present
March 27, 2023	3	3

d. Power of Sexual Harassment Committee:

The Committee is authorized to exercise all powers for compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

e. Policy:

The Company has adopted a policy on prevention, prohibition and Redressal of Sexual harassment at the workplace and has duly constituted an Internal Complaints Committee in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder:

No. of Complaints Received during the FY 2022 – 23 - NIL

No. of Complaints resolved during the FY 2022 – 23 - NA

11. INDEPENDENT DIRECTORS

The Non-Executive Independent Directors fulfill the conditions of independence specified in Section 149(6) of the Act read with Regulation 16(1)(b) of the SEBI Listing Regulations. The terms and conditions stating the appointment of Independent Directors as provided in the Act and the SEBI Listing Regulations have been issued and disclosed on the website of the Company viz. www.vinatiorganics.com.

Schedule IV to the Act read with SEBI Listing Regulations, interalia, prescribes that the Independent Directors of the Company shall hold at least one meeting in a financial year, without the attendance of non-independent directors and members of management.

During the year a separate meeting of the Independent Directors was held on February 06, 2023, in which all the Independent Directors were present, under the Chairmanship of Ms. Mona Bhide Lead Independent Director, to review the performance of the Non-Independent Director(s), the Board as a whole and Chairman of the Company. The Independent Directors also assessed the quality, quantity and timeliness of the flow of information between the Management and the Board and its Committees which is necessary to effectively and reasonably perform their duties. Further, during the year, none of the Independent Directors of the Company had resigned before the expiry of his / her respective tenure.

In the opinion of the Board, the Independent Directors fulfill the conditions specified in the SEBI Listing Regulations and are independent of the management.

12. GENERAL BODY MEETING

a. Location, date and time of Annual General Meetings held during the last 3 years:

Year	Location	Date	Day	Time	No. of Special business passed
31st AGM - 2020	Through Video Conferencing (VC)	26/09/2020	Saturday	11 a.m.	3
32nd AGM - 2021	Through Video Conferencing (VC)	03/07/2021	Saturday	11 a.m.	4
33rd AGM - 2022	Through Video Conferencing (VC)	14/09/2022	Wednesday	11 a.m.	4

b. Extraordinary General Meeting:

Court Convened meeting of members of the Company was held as per the directions of the Hon'ble National Company Law Tribunal, Mumbai Bench to consider and approve the Scheme of Amalgamation of Veeral Additives Private Limited (Transferor Company) with Vinati Organics Limited (Transferee Company) and their respective shareholders ('Scheme') on February 28, 2023.

c. Special Resolution(s):

The following are the Special Resolutions passed at the Annual General Meetings held in the last 3 years:

Date of Meeting	Summary of Special Resolution
September 26, 2020	i. An appointment/continuation of employment and payment of remuneration to Mr. Vinod Saraf as Whole Time Director, designated as "Executive Chairman".
July 3, 2021	i. Appointment and payment of remuneration to Mr. Jayesh Ashar as Whole Time Director – Director Operations. ii. Approval of Loan given to Veeral Additives Private Limited under section 185 of the Companies Act, 2013.
September 14, 2022	i. Approval for loan given/ to be given to Veeral Additives Private Limited (VAPL) under section 185 of the Companies Act, 2013.

d. A certificate has been received from M/s. VKM & Associates, Practising Company Secretaries, that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority.

e. M. M. Nissim & Co. LLP, Chartered Accountants (Firm Registration No. 107122W) have been appointed as the Statutory Auditors of the Company for the period of 5 years until the conclusion of the 38th Annual General Meeting of the Company.

The particulars of payment of Statutory Auditor's fees on a consolidated basis are given below:

Particulars	Amount (₹ in Lakhs)
Services as statutory auditors (including quarterly audits)	11.50
Reimbursement of out-of-pocket expenses	0.00
Total	11.50

13. PERFORMANCE EVALUATION

In terms of the requirement of the Act and SEBI Listing Regulations, during the year under review, the Board has carried out an annual performance evaluation of its own performance, the performance of the Directors as well as the evaluation of the working of its Committees.

The Evaluation process focuses on various aspects of the functioning of the Board and Committees such as the composition of the Board / Committees, improving Board effectiveness, the performance of Board Committees, time allocation for various topics as per terms of reference, etc. The evaluation of individual Directors is on parameters such as attendance, contribution and independent judgment.

For Independent Directors, evaluation is carried out based on defined criteria viz. contribution made to the Board / Committees, attendance at the Board / Committee meetings, review of independence conditions, inputs and discussions which helped the Company in gaining external independent view and enhancing Company's standard of compliance, etc.

14. MEANS OF COMMUNICATION

The quarterly results, half-yearly and annual financial results are published in leading English and Marathi Newspapers i.e. "Economic Times" and "Maharashtra Times".

The financial results, shareholding pattern & code of conduct are displayed on the website of the Company and also on Stock Exchange's website i.e. www.bseindia.com & www.nseindia.com.

All Official news releases and the presentation made to the investors are displayed on the website of the Company.

15. COMPLIANCE OFFICER

Mr. Milind Wagh, Company Secretary is the Compliance Officer of the Company.

16. GENERAL SHAREHOLDER INFORMATION

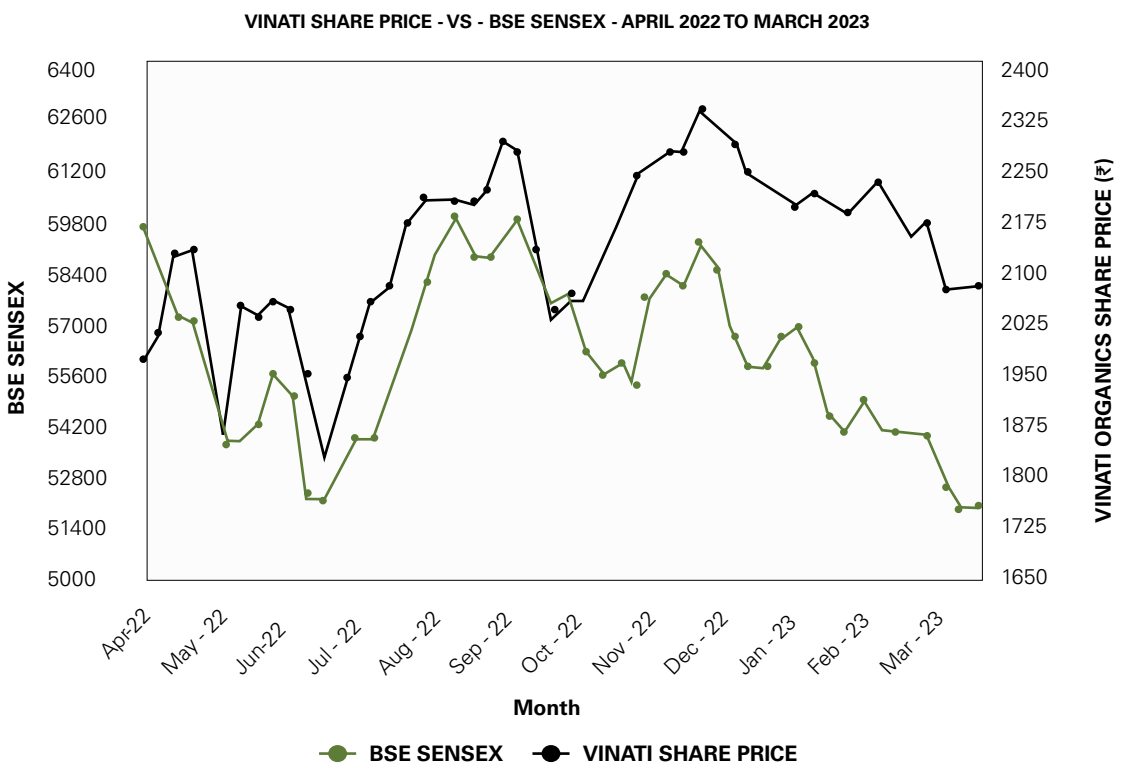
a.	**Annual General meeting Date, Time & Venue**	Date : September 8, 2023 Time : 11:00 A.M. (IST) Venue : Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")
b.	**Financial Calendar Annual General Meeting**	September 8, 2023
	Unaudited results for the quarter ending June 30, 23; Unaudited results for the quarter/half year ending Sept. 30, 23; Unaudited results for the quarter ending Dec. 31, 2023; Audited results for the quarter ending March 31, 2024.	Within 45/60 days from the end of the reporting quarter.
	Date of book Closure	Saturday, September 2, 2023 to Friday, September 8, 2023
	Final Dividend payment date	September 13, 2023
c.	**Listing on the Stock exchange**	The Company's Securities are listed on the following Stock Exchange's in India: **BSE Ltd.,** Phiroze Jeejeebhoy Towers Dalal Street, Mumbai – 400 001, Maharashtra. **National Stock Exchange of India Ltd.,** Exchange Plaza, Plot No. C/1, 'G' Block, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051, Maharashtra.
d.	**Stock Code :** BSE Limited National Stock Exchange of India Ltd. Demat ISIN in NSDL and CDSL for Equity Shares. The Company has paid Annual Listing Fees for FY 2023-24 to the above Stock Exchanges and Custodial Charges to NSDL & CDSL.	524200 VINATIORGA INE410B01037

e. Market Price Data:

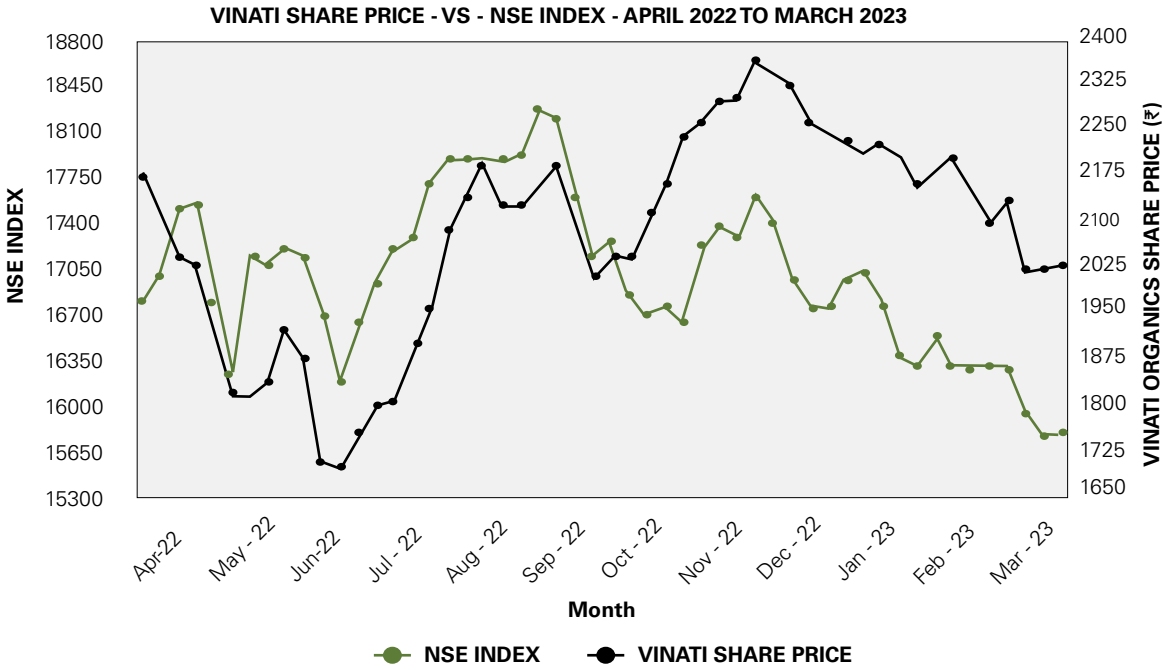
(in ₹)

Month & Year	BSE Ltd.		National Stock Exchange of India Ltd.	
	High	Low	High	Low
Apr – 2022	2290	1919	2290	1918
May – 2022	2179	1757	2179	1775
Jun – 2022	2160	1771	2162	1770
Jul – 2022	2323	1939	2324	1937
Aug – 2022	2286	2138	2288	2137
Sep – 2022	2373	1990	2377	1999
Oct – 2022	2125	1875	2125	1875
Nov – 2022	2181	1901	2185	1912
Dec – 2022	2194	1841	2195	1836
Jan – 2023	2068	1811	2069	1811
Feb – 2023	1987	1837	1988	1838
Mar – 2023	1960	1693	1898	1693

f. The performance of the Company's shares relating to the BSE Index for the year 2022 – 2023 is given below:



g. The performance of the Company's shares relating to the NSE Index for the year 2022 – 23 is given below:



h. Share Registrars and Transfer Agents – Link Intime India Pvt. Ltd.

Add.: C-101, 247 Park, L.B.S. Marg, Vikhroli West, Mumbai - 400 083. Maharashtra	Tel	:	022 – 4918 6270
	Toll-free number	:	1800 1020 878
	Fax	:	022 – 4918 6060
	E-mail	:	rnt.helpdesk@linkintime.co.in
	Website	:	www.linkintime.co.in
	Business Hours	:	11.00 a.m. to 1.00 p.m. & 2.00 p.m. to 4.00 p.m. (Monday to Friday)
	Contact Person		Mr. Ali Shaikh

i. Share Transfer System:

The Company has appointed a Common Agency, the name and address of which is given in the report for electronic connectivity and to process share transfer in physical form. The transfers are normally processed and share certificates are dispatched within 15 days from the date of receipt if the documents are complete in all respects. Requests for dematerialization are confirmed within 15 days.

j. Distribution of Shareholding as on March 31, 2023:

Category No. of Shares	No. of shareholders	% of holders	Total Shares	% of Shares
1 To 100	73857	87.504	1319629	1.283
101 To 200	3619	4.288	556745	0.542
201 To 500	2675	3.169	904318	0.880
501 To 1000	1350	1.599	1036910	1.009
1001 To 5000	2580	3.057	4742172	4.614
5001 To 10000	160	0.190	1128312	1.098
10001 To 100000	136	0.161	3982039	3.874
100001 and above	27	0.032	89111925	86.700
Total	**84404**	**100.000**	**102782050**	**100.000**

k. Category of shareholders as on March 31, 2023.

Category	No. of shareholders	Voting strength (%)	No. of ordinary shares
Individuals	80483	10.828	11129990
Promoters	5	74.061	76121192
Other Companies	425	0.536	550631
Non-Resident Individuals	2111	0.408	418880
Mutual funds, Trusts & Charitable Inst.	27	7.717	7931916
FII & FPI Category II - Corp	108	4.786	4918892
Clearing Members	26	0.003	3595
HUF	1180	0.276	283272
IEPF MCA Account	1	1.163	1195307
Insurance Companies	3	0.159	163080
NBFCs Registered with RBI	4	0.009	9758
Alternate Investment Fund	1	0.021	21365
LLP	30	0.033	34172
Total	**84404**	**100.00**	**102782050**

l. Dematerialization of shares and liquidity:

Total dematerialized share capital of the Company as on 31.03.2023 is 10,19,39,040 (demated with NSDL is 66786522 & CDSL is 35152518). The Company's shares are regularly traded on BSE Limited and National Stock Exchange of India Ltd. as indicated in the Table containing market information.

m. Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity: NIL

n. Transfer of unclaimed/unpaid amounts to the Investor Education and Protection Fund:

Pursuant to Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), dividend, if not claimed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF").

Further, all the shares in respect of which the dividend has remained unclaimed for seven consecutive years or more from the date of transfer to the unpaid dividend account shall also be transferred to IEPF Authority. The said requirement does not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority, restraining any transfer of the shares.

In the interest of the shareholders, the Company sends periodical reminders to the shareholders to claim their dividends in order to avoid the transfer of dividends/shares to the IEPF Authority. Notices in this regard are also published in the newspapers and the details of unclaimed dividends and shareholders whose shares are liable to be transferred to the IEPF Authority, are uploaded on the Company's website at www.vinatiorganics.com.

In light of the aforesaid provisions, the Company has during the year under review, transferred to IEPF the unclaimed dividends, outstanding for 7 consecutive years, of the Company, Further, shares of the Company, in respect of which dividend has not been claimed for 7 consecutive years or more from the date of transfer to unpaid dividend account, have also been transferred to the demat account of IEPF Authority.

The details of unclaimed dividends and shares transferred to IEPF during FY 22-23 are as follows: Amount of unclaimed dividends transferred

Financial Year	Amount of Unclaimed Divided transferred (₹ in lakhs)	Number of Shares Transferred
2014-2015	36.54	33701

The members who have a claim on the above dividends and shares may claim the same from IEPF Authority by submitting an online application in the prescribed Form No. IEPF-5 available on the website: www.iepf.gov.in and sending a physical copy of the same, duly signed to the Company, along with requisite documents enumerated in Form No. IEPF-5. No claims shall lie against the Company in respect of the dividend/shares so transferred. The Members/ Claimants can file only one consolidated claim in a financial year as per the IEPF Rules.

The following table gives information relating to various outstanding dividends and the dates by which these can be claimed by the shareholders from the Company's Registrar and Transfer Agent:

Financial Year	Date of Declaration	Last date of Claiming unpaid dividend
2015-2016 (Final)	10-08-2016	09-09-2023
2016-2017	02-08-2017	01-09-2024
2017-2018	01-08-2019	31-08-2025
2018-2019	31-07-2019	30-08-2026
2019-2020 (Interim)	18-03-2020	17-04-2027
2019-2020 (Final)	30-09-2020	29-10-2027
2020-2021	07-07-2021	06-08-2028
2021-22	16-09-2022	15-10-2029

(a) Address of Registered Office:
B/12 & B-13/1, MIDC Industrial Area,
Mahad – 402 309,
Dist. Raigad, Maharashtra.

(b) Address of Plant Locations:

Mahad Works:
B/12 & B-13/1, MIDC Industrial Area,
Mahad – 402 309, Dist. Raigad, Maharashtra.

Lote Works:
A-20, MIDC, Lote – Parashuram – 415 722,
Taluka – Khed, Dist. Ratnagiri, Maharashtra.

(c) Investor's Correspondence Address:

Mr. Milind Wagh – Company Secretary
Parinee Crescenzo, A Wing, 1102, 11th Floor, "G" Block, Plot No. C38 & C39, Behind MCA, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051.

o. Reappointment of Directors:

Information on directors retiring by rotation, subject to members' approval at the ensuing Annual General Meeting is provided in the Notice.

p. Commodity price risk/foreign exchange risk and hedging activities:

The Company has Risk Management Policy which is available on Company's website at www.vinatiorganics.com. During the period under review, Two Meeting of the Risk Management Committee was held. The Risk Management Committee reviews various risks in their meetings.

q. Credit Rating:

Details of Credit Ratings issued by the CARE Rating Ltd. are as under:

Long-term/Short-term Bank Facilities – Rating reaffirmed CARE AA; Outlook revised from Stable to Positive / CARE A1+

Short-term Bank Facilities – Reaffirmed CARE A1+

17. OTHER DISCLOSURES

a. Related Party Transactions:

The details of all transactions with related parties are placed before the Audit Committee periodically, with justification wherever required.

No material transaction has been entered into by the Company with related parties that may have a potential conflict with the interest of the Company. The details of related party transactions have been given in Financial Statements.

The Company has formulated a policy on dealing with related party transactions and has been uploaded on the website of the Company at https://vinatiorganics.com/wp-content/uploads/2021/05/Policy-on-Related-Party-Transaction.pdf

b. Non-compliance/strictures/penalties imposed:

NIL

c. Details of the establishment of vigil mechanism, Whistle Blower Policy and affirmation that no personnel has been denied access to the Audit Committee:

In accordance with the requirements of the Act, read with SEBI Listing Regulations, the Company has a Whistle Blower Policy approved by the Board of Directors. The objectives of the policy are:

a. To provide a mechanism for employees and directors of the Company and other persons dealing with the Company to report to the Audit Committee; any instances of unethical behaviour, actual or suspected fraud, or violation of the Company's Ethics Policy.

b. To safeguard the confidentiality and interest of such employees/directors/other persons dealing with the Company against victimization, who notice and report any unethical or improper practices.

c. To appropriately communicate the existence of a such mechanism, within the organization and outside Whistle Blower Policy is available on Company's website at https://vinatiorganics.com/wp-content/uploads/2021/05/Whistle-Blower-Policy.pdf

d. The Company confirms that no personnel has been denied access to the audit committee pursuant to the whistle-blower mechanism.

d. Disclosure under the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013:

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.

An Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. During the year no complaints of sexual harassment were received.

e. The Company has complied with all the mandatory requirements of SEBI Listing Regulations, in respect of corporate governance:

The following non-mandatory requirements have been adopted by the Company:

a. Auditor's Report does not contain any qualifications.

b. The Company has appointed separate persons to the posts of Chairman and Managing Director.

c. The Internal Auditors report directly to the Audit Committee.

d. The policy for determining 'material' Subsidiary is available on Company's website at https://vinatiorganics.com/wp-content/uploads/2022/06/material-subsidiaries-policy.pdf

e. The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular dated November 15, 2019 is not applicable.

f. There were no instances of the raising of funds through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of the SEBI Listing Regulations.

g. The Company has complied with all the applicable requirements of Corporate Governance specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations.

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

f. MD & CEO /CFO Certification:

The Managing Director & CEO and Chief Financial Officer of the Company give annual certification on financial reporting and internal controls to the Board as required under Regulation 17 of the SEBI Listing Regulations.The Chief Financial Officer also gives quarterly certification on financial results while placing the financial results before the Board in terms of SEBI Listing Regulations.

g. Risk Management:

The Company has laid down procedures to inform the Board Members about the risk assessment and risk mitigation mechanism, which is periodically reviewed and reported to the Board of Directors by senior executives of the Company.

h. Disclosure of accounting treatment different from accounting standards: None.

i. Equity shares in the Suspense Account: None.

j. Code of Conduct for Board Members and Senior Management:

Pursuant to Regulation 17 of the SEBI Listing Regulations, the Board of Directors has laid down the Code of Conduct for all the Board Members and members of the senior management. The Code is also placed on the Company's website – https://vinatiorganics.com/. A certificate from the Managing Director, affirming compliance of the said Code by all the Board Members and members of the senior management to whom the Code is applicable, is annexed separately to this report.

Further, the Directors and the Senior Management of the Company has submitted disclosure to the Board that they do not have any material financial and commercial transactions that may have a potential conflict with the interest of the Company at large.

k. Company's policy on Prohibition of Insider Trading:

The Company has adopted a "Code of Internal procedure and conduct for regulating, monitoring and reporting of trading in securities by Insiders" as required under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. The Company formulated a Code of Conduct to Regulate, Monitor, and Report trading by Insiders to deter Insider trading in the securities of the Company based on unpublished price sensitive information. The Code envisages procedures to be followed and disclosures to be made while dealing in the securities of the Company. During the year under review, there has been due compliance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

l. SEBI Complaints Redress System (SCORES):

SEBI administers a centralized web-based complaints redress system (SCORES). It enables investors to lodge and follow up complaints and track the status of redressal online at www.scores.gov.in. It also enables the market intermediaries and listed companies to receive complaints from investors against them, redress such complaints, and report redressal. All the activities starting from the lodging of a complaint till its disposal are carried out online in an automated environment, and the status of every complaint can be viewed online at any time.

The Company has registered itself on SCORES and endeavours to resolve all investor complaints received through SCORES or otherwise within 15 days of the receipt of the complaint. During the year, the Company received one investor complaint through SCORES, which is resolved.

m. Compliance Certificate from Practicing Company Secretary pursuant to the requirements of Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:

A compliance certificate from M/s. VKM & Associates, Practising Company Secretary, holding Membership No. 5023 and C.P. No. 4279 pursuant to the requirements of Schedule V to the SEBI Listing Regulations stating that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority is annexed hereto.

n. Compliance Certificate:

A Certificate from the Statutory Auditors of the Company regarding the compliance of condition of corporate governance for the year ended on March 31, 2023, as stipulated in chapter IV of the SEBI Listing Regulations is annexed hereto.

Registered Office:
B-12 & B-13/1, MIDC Industrial Area,
Mahad – 402 309, Dist. Raigad, Maharashtra.
Tel No.: 022-61240444/428, Fax No.: 022-61240438
Email: shares@vinatiorganics.com
Website: www.vinatiorganics.com
CIN: L24116MH1989PLC052224
Mumbai, May 19, 2023

For and on behalf of the Board of Directors

Vinod Saraf
Executive Chairman
(DIN: 00076708)

Certificate of Non-Disqualification of Directors

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

We have examined and verified the register, records, returns and disclosures from the directors and have also examined records of the Board of Directors available and maintained on the online portal of the Ministry of Corporate Affairs of VINATI ORGANICS LIMITED (hereinafter will be known as "the Company"), having its Registered Office at B-12 & B-13 MIDC Indl. Area, Mahad, District-Raigad 402309, Maharashtra, India incorporated vide its Company Registration Number L24116MH1989PLC052224 on 15th June, 1989 under the jurisdiction of Registrar of Companies, Mumbai, Maharashtra for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub-clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

On the basis of examination and verification, we hereby state that none of the directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as the directors of companies by the Securities Exchange Board of India, Ministry of Corporate Affairs / MCA or any such statutory authority for the Financial Year ending on 31st March, 2023.

The Board of Directors of the Company comprises of 8 (Eight) Directors and the Board is composed as follows:

Sr. No.	Name of the Director	DIN	Type of the Director	Status of the Director
1	Vinod Saraf	00076708	Whole-Time Director designated as "Executive Chairman"	Active
2	J. C. Laddha	00118527	Non-Executive and Independent Director	Active
3	Jayesh Ashar	00041532	Whole-Time Director designated as "Director – Operations"	Active
4	Vinati Saraf Mutreja	00079184	"Managing Director and Chief Executive Officer"	Active
5	Viral Saraf Mittal	02666028	Whole-Time Director designated as "Director – CSR"	Active
6	Mona Bhide	05203026	Non-Executive and Independent Director	Active
7	Adesh Kumar Gupta	00020403	Non-Executive and Independent Director	Active
8	M. Lakshmi Kantam	07831607	Non-Executive and Independent Director	Active

This Certificate is being issued at the request of the Company for the rightful compliance with Para 3(x) (c) (iii) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018.

For **VKM & Associates**
Practising Company Secretaries

(**Vijay Kumar Mishra**)
Partner
COP No. : 4279
UDIN: F005023E000334187
Peer Review Cert. No. 1846/2022

Place: Mumbai
Date: 19/05/2023

CEO / CFO Certificate

(a) We have reviewed financial statements and the cash flow statement for the year ended March 31, 2023 and that to the best of our knowledge and belief:

(i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.

(ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(b) There are, to the best of our knowledge and belief, no transactions entered in to by the Company during the year, which are fraudulent, illegal or violative of the Company's Code of Conduct.

(c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

(d) We have indicated to the auditors and the Audit Committee:

(i) significant changes in internal control over financial reporting during the year;

(ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

(iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Mumbai
19th May, 2023

Vinati Saraf Mutreja
MD & CEO

N. K. Goyal
CFO

Declaration regarding Compliance by Board Members and Senior Management Personnel with the Company's Code of Conduct

I, Vinati Saraf Mutreja, Managing Director & CEO of Vinati Organics Limited, hereby declare that all the members of the Board of Directors and the Senior Management Personnel have affirmed compliance with the code of conduct for the year ended March 31, 2023.

I confirm that the Company has in respect of the said financial year, received from the senior management team and the members of the board of the Company a declaration of compliance with the code of conduct as applicable to them.

For the purpose of this declaration, senior management team means the Chief Financial officer, Executive President, Sr. Vice President and the Company Secretary as on March 31, 2023.

On behalf of the Board of Directors

Mumbai
19th May, 2023

Vinati Saraf Mutreja
Managing Director & CEO

Annexure 'C'

Independent Auditor's Certificate on Compliance with the Corporate Governance Requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

TO THE MEMBERS OF VINATI ORGANCS LIMITED

1. We have examined the compliance of conditions of Corporate Governance by Vinati Organics Limited, ('the Company'), for the year ended on 31 March 2023, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and paras C , D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time (the Listing Regulations) pursuant to the Listing Agreement of the Company with Stock Exchanges.

MANAGEMENT'S RESPONSIBILITY

2. The compliance of conditions of Corporate Governance as stipulated under the listing regulations is the responsibility of the Company's Management including the preparation and maintenance of all the relevant records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of Corporate Governance stipulated in the Listing Regulations

AUDITORS' RESPONSIBILITY

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

4. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31st March 2023.

5. We conducted our examination of the above corporate governance compliance by the Company in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) and Guidance Note on Certification of Corporate Governance both issued by the Institute of the Chartered Accountants of India (the 'ICAI'), in so far as applicable for the purpose of this certificate. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

OPINION

7. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and paras C and D of Schedule V of the Listing Regulations during the year ended 31st March 2023.

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

RESTRICTIONS ON USE

9. The Certificate is addressed and provided to the Members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this certificate for any event or circumstances occurring after the date of this Certificate.

For **M. M. NISSIM & CO LLP**
Chartered Accountants
Firm Regn. No. 107122W/W100672

N. Kashinath
Partner
Mem. No.: 036490
UDIN:- 23036490BGXRYB5634

Mumbai, 19th May, 2023

Annexure 'D'

Management Discussion and Analysis

Economic overview

Global economy

Amidst the backdrop of volatile food and commodity prices and geopolitical turmoil in Europe, the global economy encountered substantial challenges. Escalating inflation, triggered by these factors, compelled central banks worldwide to adopt tighter monetary policies. The prevailing supply chain constraints and market turbulence notably subdued consumer confidence and reduced capital outflows. Multiple nations continue to grapple with enduring demand-supply mismatches and historically high inflation rates.

Nevertheless, the global economy is on a trajectory towards gradual recovery, as the influence of the pandemic and geopolitical tensions gradually recede. Central banks' cycles of interest rate hikes are cresting as inflation gradually finds equilibrium. Anticipated economic growth remains steady, buoyed by stabilising inflationary pressures, resurgent consumer sentiment, and restored investor assurance. In line with the IMF's April 2023 World Economic Outlook report, global economic expansion is projected at 2.8% in CY23, reaching 3.0% in CY24.

The employment landscape in advanced economies, including the US, has rebounded from pandemic-induced troughs. Moreover, the rise in disposable income is poised to bolster growth in forthcoming years, despite the potential global repercussions stemming from banking instability in the US.

Indian economy

Amidst the prevailing global challenges, the Indian economy stands as a resilient beacon. As per the final advance estimates from the National Statistical Office (NSO), India is poised to achieve a noteworthy growth of 7.2% in FY23. This impressive outcome owes itself to the economy's robust performance, particularly evident in the fourth quarter.

The Reserve Bank of India (RBI) is steering a steadfast monetary policy course, anchored by the descending inflation trajectory, positive macroeconomic currents, and escalating consumer aspirations. The Indian government's strategic endeavors, exemplified by initiatives such as the PM Gati Shakti (National Master Plan), the National Monetisation Plan (NMP), and the Production Linked Incentive (PLI) plan, are instrumental in nurturing sustained long-term economic expansion.

Furthermore, the prospects of bolstered manufacturing, services, agriculture, and allied sectors, coupled with elevated business and consumer confidence, are poised to underpin domestic consumption. The confluence of these factors, complemented by an accelerated expansion of credit, is set to contribute substantively to imminent economic growth.

Remarkably, India stands out as one of the select nations demonstrating a lower corporate debt-to-GDP ratio. This robust debt profile exhibited by Indian enterprises plays a pivotal role in upholding the broader macroeconomic stability of the nation.

GDP growth YoY (%)

(Source- National Statistical Office)

Global chemicals sector

The global chemicals market demonstrated substantial growth, achieving an 8.1% CAGR surge from USD 4.7 trillion in 2022 to USD 5.1 trillion in 2023. Forecasts indicate the chemicals sector is poised for continued expansion, projected to ascend at a 7.8% CAGR, reaching USD 6.9 trillion by 2027.[1]

The upswing in per capita disposable income and evolving consumer inclinations have instigated heightened demand across end-user industries like pharmaceuticals, agrochemicals, and home/personal care products. Consequently, the niche for specialty chemicals has experienced a notable upswing.

In response to environmental concerns stemming from chemical production, companies are actively integrating sustainable and ecologically-conscious practices.

Notably, technological advancements in tandem with chemical sciences have facilitated the production of chemical goods using alternative fuels.

[1]https://www.researchandmarkets.com/reports/5781388/chemicals-global-market-report#:~:text=The%20Global%20Chemicals%20Market%20was,at%20%245079.29%20billion%20in%202023.

Navigating the landscape of 2023, the chemical industry confronts a dual imperative: adroitly addressing immediate challenges while strategically positioning for enduring expansion. This journey involves embracing technological innovations, aligning with shifting consumer preferences, and fortifying supply chain resilience.

A promising stride towards sustainability is reflected in approximately 70 global chemical enterprises that have committed to net-zero or carbon-neutrality targets by 2050.

Indian chemicals sector

India's chemicals industry has consistently outperformed global benchmarks in terms of demand growth and shareholder value creation over the past decade. With its robust foundation, the nation stands poised to emerge as a prominent chemical manufacturing hub.

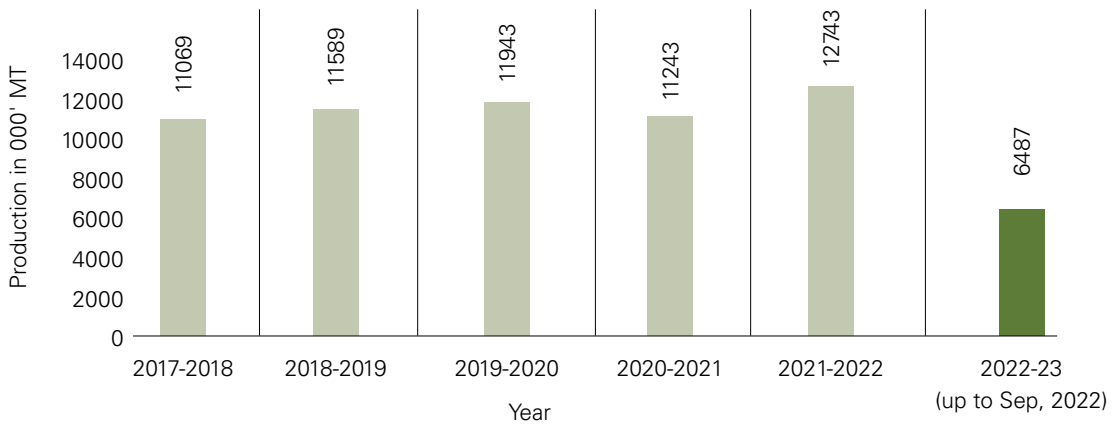
The trajectory of Indian chemicals consumption is approaching a pivotal juncture on the S-curve. Bolstered by burgeoning disposable incomes, a vibrant demographic profile, and an increasing share of the global chemicals market as supply chains diversify favorably towards India, domestic consumption is projected to surge at a CAGR of 9-10% in the forthcoming years. India's potential to augment its global chemicals market share threefold, attaining 10-12% by 2040, presents an unprecedented opportunity. This expansion could generate a potential economic influx of up to USD 700 billion for entrepreneurs and companies operating within India's chemicals sphere.

Of particular significance, the specialty chemicals segment is set to emerge as a pivotal catalyst for sectoral expansion. Envisaged to contribute over USD 20 billion to India's net exports by 2040, this forecast represents a remarkable tenfold surge from the current USD 2 billion tally. [2]

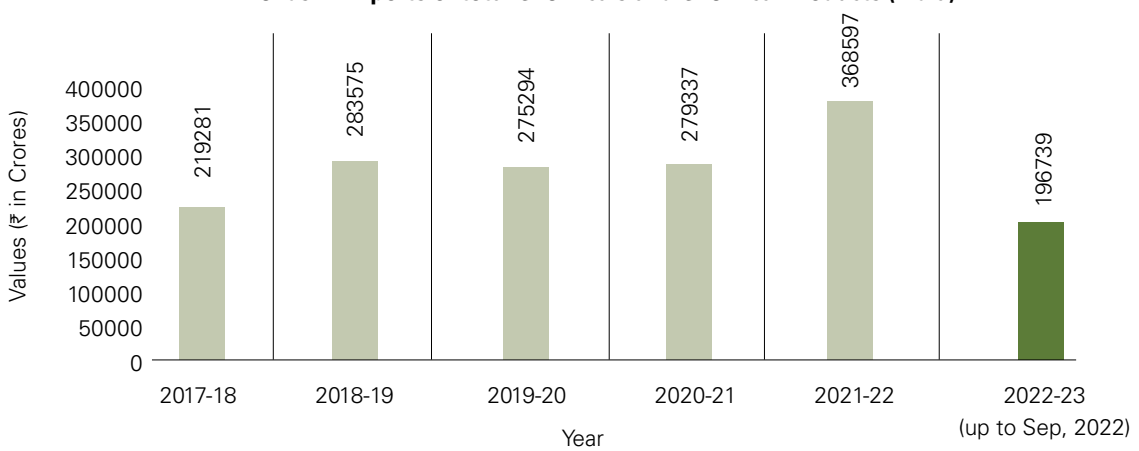
Production Trends

The chemicals industry operates at the nexus of knowledge and capital, holding a pivotal role in India's manufacturing progress. Its growth trajectory drives both industrial and agricultural expansion within the nation, concurrently serving as the bedrock for a multitude of downstream enterprises. Through enhancing the value of petrochemical outputs, this sector unlocks a myriad of versatile applications spanning industries such as packaging, agriculture, textiles, infrastructure, healthcare, furniture, and beyond.

Trends in Production data of Major Chemicals (India)



Trends in Exports of total Chemicals and Chemical Products (India)



(Source - https://chemicals.gov.in/sites/default/files/Reports/Annual%20Report_2022-23_1.pdf)

[2]chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://www.mckinsey.com/~/media/mckinsey/industries/chemicals/our%20insights/india%20the%20next%20chemicals%20manufacturing%20hub/india-the-next-chemicals-manufacturing-hub-vf.pdf

Growth drivers

Rising domestic consumption

India is projected to contribute over 20% of the incremental global chemical consumption in the next two decades. Domestic demand is anticipated to grow from USD 170-180 billion in 2021 to USD 850-1,000 billion by 2040.

Changing consumer preference

The growing demand for sustainable products globally could benefit India, as it is among the leading producers of many sustainable chemicals.

Shifting supply chains

Nations and companies across the global are looking to build resilience in their operations by diversifying their supply chains. In this context, India is uniquely positioned as a supply geography of choice for global chemical companies, by offering skilled manpower and manufacturing capabilities, alongside a strong domestic consumption base.

Specialty chemicals sector

Specialty chemicals, often denoted as effect chemicals, constitute chemical compounds acquired and utilised in limited quantities, characterised by bespoke formulations tailored to specific customer applications, functions, and performance criteria.

In 2022, the global specialty chemicals market was value at USD 738 billion. Forecasts signal a progression to USD 999 billion by 2028, underpinned by an anticipated CAGR of roughly 5% during the 2023-2028 timeframe.[3] These low-volume, high-value products within the specialty chemicals domain are distinguished by their quality and utility, often employed as additives or to confer specific attributes upon end-products.

The escalating per capita disposable income coupled with evolving consumer preferences has accentuated demand across pivotal end-user industries such as pharmaceuticals, agrochemicals, and home/personal care products. This heightened demand dynamic has consequently led to an increased requirement for specialty chemicals.

Indian specialty chemicals sector

Anticipated growth is poised to characterise India's specialty chemicals sector in the forthcoming years. Projections suggest that by 2040, India could command a 10-12% share within the global chemicals market, displaying a substantial upswing from USD 170 billion in 2021 to a prospective range of USD 850-1,000 billion.[4] Significantly, the specialty chemicals domain accounts for 22% of India's overarching chemicals and petrochemicals market.[5]

Despite intermittent margin fluctuations, specialty chemicals enterprises are well-positioned to sustain their upward trajectory. CareEdge remains confident in this trajectory, attributed in part to the "China plus one" strategy embraced by major global economies. This confidence is reflected in its forecasted sales escalation of over 19% until FY25.[6]

Almost 80% of the specialty chemicals exports are poised to originate from four core segments: agrochemicals, dyes and pigments, cosmetics and personal care, and food ingredient chemicals.

Policy support

- According to the Union Budget for 2023, the Government would help 1 crore (100 million) farmers transition to natural (or chemically-balanced) farming during the course of the following three years. To encourage states and union territories to promote alternative fertilisers and the balanced use of chemical fertilisers, the PM Program for Restoration, Awareness, Nutrition and Improvement of Mother Earth (PM PRANAM) will be put into place.
- The Indian government has developed numerous Petroleum, Chemical and Petrochemical Investment Regions (PCPIR) all across the country in order to increase the production

[3]https://www.businesswire.com/news/home/20230518005615/en/Global-Specialty-Chemicals-Market-Report-2023-A-738.23-Billion-Market-in-2022---Forecasts-to-2028---Rising-Demand-For-Sustainable-Specialty-Chemicals-High-Performance-Materials---ResearchAndMarkets.com

[4]https://www.icis.com/explore/resources/news/2023/03/29/10870276/indian-specialty-chemicals-sector-eyes-growth-boost-over-next-few-years/

[5]https://kpmg.com/in/en/home/insights/2022/11/specialty-chemicals-industry-india.html

[6]https://www.livemint.com/companies/news/specialty-chemical-cos-worries-may-ease-11679246940195.html

of various chemicals, such as agrochemicals, petroleum, and petrochemical goods. These PCPIRs have all essential resources and policy support.

- Customs duty on some important chemicals, such as methanol, acetic acid, and heavy feedstocks for petroleum refinery, reduced in the Budget 2022-23.

Scenario in the key end user industries

Personal Care and Cosmetics

Due to a greater emphasis on cutting-edge and high-performance ingredients, the personal care and cosmetics industry is seeing an increase in demand for specialty chemicals. Customers were looking for goods with distinctive qualities, such as sustainable and natural formulas, anti-aging capabilities, and improved UV protection.

Pharmaceuticals

In the pharmaceutical industry, specialty chemicals played an important role in drug discovery and manufacture. With the increased emphasis on personalised medicine and targeted therapies, there has been an increase in the need for specialty chemicals utilised in drug delivery systems, excipients, and API synthesis.

Agrochemicals

Agriculture relies largely on specialist chemicals to boost crop production and guard against pests, diseases, and weeds. The industry was experiencing a change toward environmentally friendly and sustainable solutions, which drove the development of bio-based and eco-friendly specialty chemicals for use as herbicides, fungicides, insecticides, and plant growth regulators.

Water Treatment

In response to worries about water scarcity and pollution, there was an increase in demand for specialty chemicals used in water treatment operations. These compounds were critical in the purification of water, the removal of pollutants, the provision of clean drinking water, and the treatment of industrial wastes.

Automotive

To comply with increasingly strict regulatory standards and consumer demands, the automotive sector has been investigating specialised chemicals. Specialty compounds were used to enhance fuel efficiency and minimise emissions in vehicle paints, adhesives, sealants, and additives.

Opportunities

- **Rise in demand in different end user industries**

  The resurgence of demand has prompted Indian firms to reconsider capacity expansion plans. Companies have been focusing on capacity expansion due to demand fueled by growth in the end-user industries such as pharmaceuticals, food, construction, electronics, dyes and pigments, among others. There has been an uptick in demand for a wide range of cosmetic chemicals, healthcare goods, and hygiene products that contain specialty chemicals.

- **Advanced materials**

  Specialty chemicals play a vital role in the advancement of sophisticated materials, including specialty polymers, composites, and coatings. These materials have wide-ranging applications in high-growth industries such as aerospace, renewable energy, and healthcare. The increasing need for materials that are lightweight, long-lasting, and environment-friendly offers substantial prospects for specialty chemical companies.

- **Sustainable solutions**

  The specialty chemical industry is witnessing a rising focus on sustainability and environmental awareness. Specialty chemical companies that have the capability to innovate and produce environment-friendly and sustainable specialty chemicals, such as bio-based materials or products with minimised carbon footprint, are in a favorable position to benefit from the market's growing demand.

- **Regulatory compliance and safety**

  Specialty chemical companies are obligated to comply with rigorous regulations and safety standards. There are prospects for companies offering compliance services, testing, and safety solutions to assist specialty chemical manufacturers in fulfilling their regulatory obligations.

Challenges

- **Infrastructure limitations**

  Specialty chemical manufacturers may face challenges due to insufficient infrastructure, such as inadequate transportation and logistics facilities. These challenges can lead to delays in the delivery of raw materials and finished products, thereby affecting the overall efficiency of the supply chain.

- **Skill gap**

  The scarcity of skilled labour, possessing expertise in specialty chemical manufacturing processes and technologies, is a prevalent concern in India. This skill gap has the potential to impede the growth and innovation capabilities of the industry.

- **Environmental concerns**

  Sustainability and environmental consciousness are gaining importance globally, and specialty chemical

companies in India are also expected to align with these concerns. Adapting to sustainable practices, reducing carbon footprint, and adopting cleaner manufacturing technologies can be challenging for some companies.

Outlook

The outlook for the Indian chemical sector appears positive, with the country having the potential to emerge as an important catalyst in altering the global chemical market's demand and supply dynamics. The industry is projected to grow at a CAGR of more than 12% from 2020 to 2025. Opportunities are replete for both domestic and multinational manufacturers as there has been significant demand from end-user sectors such as food, automobile, real estate, clothing, cosmetics, among others. This is likely to bolster the industry's growth in India.

Company overview

Vinati Organics Limited (VOL), incorporated in 1989, is a leading manufacturer of specialty chemical and organic intermediaries with a sustained market presence spanning over 40+ countries. VOL has evolved from being a single product manufacturer to an integrated business, offering a wide range of products to some of the largest industrial and chemical companies across US, Europe, and Asia. The Company consistently innovates on chemical products and processes, while keeping sustainability at the core.

30+ years
Of experience in the industry

Largest
Manufacturer of IBB and ATBS

14%
CAGR growth in revenue in the last ten years

40+ Countries
Global footprint

Core strengths

Diversified product

VOL has a diverse portfolio of niche specialty chemicals catering to various industries such as agrochemicals, pharmaceuticals, water treatment, personal care, automotive and textiles.

Strong R&D

Vinati Organics has a dedicated R&D team focused on developing innovative products and processes.

Global presence

VOL exports its portfolio of products to over 40+ countries worldwide to the biggest chemical, petrochemical, and industrial conglomerates.

Manufacturing capabilities

The Company has state-of-the-art manufacturing facilities that adhere to best-in-class SHE (Safety, Health, and Environment) measures. VOL's efficient production processes maintain high product quality, ensure timely delivery, and deliver globally competitive products.

Value Chain Synergies

Our portfolio is backed by world-scale production plants and strong value chain integration based off of our existing chemical platforms that creates strong competitive moats.

Financial highlights

(₹ in Lakhs)

Particulars	2022-23	2021-22	YoY change (%)
Total income	2,15,713	1,67,647	29%
EBITDA	59,543	43,409	37%
PAT	45,798	34,668	32%
Net worth	2,21,880	1,82,814	21%

Key ratios

Particulars	2022-23	2021-22
Net Debt Equity Ratio (X)	0.00	0.00
Current Ratio (X)	4.51	4.64
Interest Coverage Ratio (X)	982.01	1,737.78
Receivables Turnover Ratio (X)	4.49	4.39
Inventory Turnover Ratio (X)	7.86	7.45
Operating Profit Margin (%)	29	27
Net Profit Margin (%)	21	21
Net Worth (₹ Lakhs)	2,21,880	1,82,814

Outlook

Anchored by a robust business model, characterised by a distinctive product portfolio, innovative product offerings, world-class production capabilities at scale, and a global market leadership bolstered by strong relationships, we stand well-equipped to deliver long term value to our shareholders.

Risk management

Risk	Mitigation
Customer satisfaction and retention risk The success of the Company depends on our capacity to meet the demands of our customers and outperform our competitors. Failing to deliver products that surpass our customers' expectations could potentially lead to a decline in revenue, customer retention capabilities, and adversely impact our brand reputation.	The Company has established long standing trust-based supplier relationships with major chemical and industrial players across the globe. We invest in maintaining these relationships through regular B2B activities. A strong R&D focus, world-class operations, and sustainability investments ensure our products have a compelling value proposition for the global market. We back our products with world scale capacities (including capacity expansions for existing products) and backward integration to ensure the sustenance of our competitive moat.
Sustainability and environmental risk The Company's operations might have a negative impact on the environment. The Company's inability to optimise its environmental footprint might have financial and non-financial implications on its operations.	The Company recognises the urgent need to align business practices and operation with global climate change commitments and is committed to reduce its climate impacts. The Company's manufacturing facilities are ISO 14001 (EMS) and ISO 45001 (OHSAS) certified, which reflects the commitment towards making operations safe, sustainable and pollution free. The Company is committed to invest in alternate energy sources and has commissioned solar plant of 14.5 MW capacity. Currently, 55% of the total electricity consumption is met through renewable energy. The Company is in the process of commissioning additional solar capacity of 11.25 MW in FY 2024.
People risk In the current competitive landscape, it is important to attract, train, and retain proficient and dedicated employees. This is crucial for generating value for customers and effectively accomplishing strategic objectives.	The Company has adopted a policy of zero discrimination and giving equal opportunity to its employees regarding recruitment and compensation based on industry standards. EHS training & behavioral sessions take place in manufacturing facilities. Company has one of the lowest attrition rates in its sector. The Company is investing to attract, nurture and retain the best talent in the chemicals sector in India. The innovation and operational knowledge base we have developed ensures our business is insulated from key-personnel risk.

Human resource

The Company's human resources are revered as its paramount asset. Grounded in a people-centric ethos, we endeavor to cultivate a work culture that champions diversity and inclusion. Fostering an environment that engenders a profound sense of belonging, we place significant emphasis on the training and advancement of our workforce. In line with this approach, the Company maintains one of the sector's most impressive attrition rates. Our commitment to nurturing and harnessing talent is unwavering. We consistently draw in and retain adept professionals, honing their abilities to shape them into future leaders.

Disclaimer

Certain statements in the MDA section concerning future prospects may be forward-looking statements which involve a number of underlying identified / non identified risks and uncertainties that could cause actual results to differ materially. In addition to the foregoing changes in the macro-environment, global pandemic like COVID-19 may pose an unforeseen, unprecedented, unascertainable and constantly evolving risk(s), inter-alia, to the Company and the environment in which it operates. The results of these assumptions made, relying on available internal and external information, are the basis for determining certain facts and figures stated in the report. Since the factors underlying these assumptions are subject to change over time, the estimates on which they are based, are also subject to change accordingly. These forward-looking statements represent only the Company's current intentions, beliefs or expectations, and any forward-looking statement speaks only as of the date on which it was made. The Company assumes no obligation to revise or update any forward-looking statements, whether as a result of new information, future events, or otherwise.

Annexure 'E'

Statement of Particulars of Employees

pursuant to Section 134 of the Companies Act, 2013 and forming part of the Directors' Report for the year ending March 31, 2023 employed for whole of the year.

Sr. No.	Name	Designation & nature of duties (as at March 31, 2023)	Qualification	Age (Yrs.)	Date of Joining/ Appointment	Total Experience	Gross Remuneration received (₹ in Lakhs)	Previous employer	Designation
1	Mr. Vinod Saraf	Chairman	Master of Business Administration from BITS, Pilani	73	15.06.1989	51	202.51	Mangalore Refinery & Petrochemicals Ltd.	Managing Director (Finance & Admin.)
2	Ms. Vinati Saraf Mutreja	Managing Director & CEO	Bachelor's of Science in Economics (Finance) from The Wharton School and Bachelors in Applied Science from the School of Engineering (University of Pennsylvania)	39	20.05.2006	18	150.75	Mercer Oliver Wyman	Consultant
3	Mr. Jayesh Ashar	Director - Opeartions	Bachelor of Engineering (Chemical) and Master in Management Studies (operation) from Mumbai University	59	02.02.2021	32	122.65	Mr. Jayesh Ashar having about more than 31 years experience mostly in chemical plants. Worked in area of operations & projects for diversification and enhancement of capacity of existing products.	Chief Operating Officer (COO)

Annexure 'F'

Annexure - II

Annual Report on CSR Activities

1. Brief outline on CSR Policy of the Company:

At Vinati Organics Ltd (VOL), we believe that there is no greater gift than the gift of giving. As a special chemical manufacturing company committed to clean and green technology, we carry forward this socially responsible attitude while promoting sustainable development in our country.

Through our CSR initiatives, we empower and nurture the rural communities around our manufacturing sites also in this reporting fiscal year, we expanded our geographic reach to Rajasthan as our family's roots are in Rajasthan by providing financial support to underprivileged students to complete their education, to build a chemistry lab in a school and a conference centre in a college in Rajasthan.

Our interventions in rural Maharashtra were carried on as usual through our implementing partners by prioritizing education, rural development, skilling, entrepreneurship and employment we also seek to help people and communities bridge the opportunity gap. VOL also supports communities' health, wellness, water, sanitation and hygiene needs, especially those that are marginalized. VOL also supports conservation and relief efforts for communities at the time of natural and man-made disasters. The Company work collaboratively with various stakeholders, including VOL staff, the CSR Committee, NGO partners, communities, government agencies, and panchayats, to achieve Sustainable Development Goals (SDGs) and foster inclusive growth.

The projects undertaken are within the broad framework of Schedule VII of the Companies Act, 2013. Details of the Company's CSR policy are available on the Company's website at www.vinatiorganics.com.

2. Composition of CSR Committee:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Prof. M. Lakshmi Kantam	Chairperson of the CSR Committee	1	1
2	Mr. Vinod Saraf	Chairman of the Company		1
3	Ms. Vinati Saraf Mutreja	Managing Director & CEO		1
4	Ms. Viral Saraf Mittal	Director – CSR		1

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company - https://vinatiorganics.com/other-information/

4. Provide the executive summary along with web-link(s) of the Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8, if applicable – **Not Applicable.**

5. (a) Average net profit of the company as per sub-section (5) of Section 135: **₹ 4,03,06,19,000/-**

   (b) Two percent of the average net profit of the company as per sub-section (5) of Section 135: **₹ 8,06,12,380/-**

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

   (d) Amount required to be set-off for the financial year, if any: **₹ 12,810/-**

   (e) Total CSR obligation for the financial year [(b)+(c)-(d)]: **₹ 8,05,99,570/-**

6. (a) Amount spent on CSR Projects (both Ongoing Projects and other than Ongoing Projects): **₹ 6,24,11,164/-**

(b) Amount spent in Administrative Overheads: **₹ 43,04,000/-**

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

(d) Total amount spent for the Financial Year [(a)+(b)+(c)]: **₹ 6,67,15,164/-**

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

Total Amount Spent for the Financial Year. (in Rupees)	Amount Unspent (in Rupees)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per the second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
6,67,15,164	1,38,87,904	26.04.2023	-	-	-

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

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

7. Details of Unspent Corporate Social Responsibility amount for the preceding three financial years:

Sr. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
1	2019-20	-	-	-	-	-	1,88,53,638
2	2020-21	4,17,65,000	21,53,648	-	-	-	-
3	2021-22	3,41,75,000	1,02,32,490	-	-	-	2,39,42,510
	TOTAL	**7,59,40,000**	**1,23,86,138**	**-**	**-**	**-**	**4,27,96,148**

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

○ Yes ● No

If Yes, enter the number of Capital assets created/ acquired – Not Applicable.

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year: Not Applicable

Sr. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin Code of the property or asset(s)	Date of Creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner
-	-	-	-	-	-

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of Section 135:

During the financial year 2022-23, the Company spent ₹ 6.67 Crore on various CSR projects and transferred ₹ 1.39 Crore related to ongoing CSR projects to the Unspent CSR account pursuant to the provisions of the Act.

Ms. Vinati Saraf Mutreja
Managing Director & CEO

Prof. M. Lakshmi Kantam
Chairperson CSR Committee

Mr. N. K. Goyal
Chief Finance Officer

Place: Mumbai
Date: May 19, 2023

Annexure 'G'

Form No. AOC -2

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

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under the third proviso thereto.

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

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

Sr. No.	Name(s) of the related party & nature of the relationship	Nature of contracts/ arrangements/ transactions	Transactions Value (₹ in Lakhs)	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transaction including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
1	Veeral Additives Pvt. Ltd.	Sales of Goods	5199.24	FY: 2022-23	Purchase, sale, rental, remuneration, interest & loans etc. are of repetitive in nature and at arm's length pricing.	31.01.2022	NA
		Purchase	75.44				
		Rent of Immovable property	6.24				
		Telephone Charges	0.72				
		Interest Income	2003.30				
		Loan given	7619.50				

The above-mentioned transaction was entered into by the Company in its ordinary course of business. The materiality threshold is as prescribed under the Companies (Meetings of Board and its Powers) Rules, 2014.

Annexure 'H'

Evaluation of the Non-Independent Executive Directors and Directors:

		Mr. Vinod Saraf	Ms. Vinati Saraf Mutreja	Ms. Viral Saraf Mittal	Mr. Jayesh Ashar
1	How well prepared & informed is he/she for board meetings?	Excellent	Excellent	Very good	Very good
2	What has been the quality & value of his/her contribution at board meetings?	Excellent	Excellent	Very good	Very good
3	What has been his/her contribution towards development of strategy management?	Excellent	Excellent	Very good	Very good
4	How well he/she communicates with fellow board members, senior management & others & manages the views of other during the board meeting?	Excellent	Excellent	Very good	Very good
5	How effective the quality(s), quantity and timeliness of flow of information between the Company management and the Board of directors that is necessary for the Board to effectively and reasonably perform their duties?	Excellent	Excellent	Very good	Very good

Annexure 'I'

Secretarial Audit Report

FORM MR-3

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2023

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 09 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
VINATI ORGANICS LIMITED
(CIN: L24116MH1989PLC052224)
B-12 & B-13, MIDC Indl. Area,
Mahad – 402 309, Dist. Raigad,
Maharashtra.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **"VINATI ORGANICS 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 and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of the secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2023 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 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 maintained by the Company for the financial year ended on 31st March, 2023 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956(SCRA) and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment and Overseas Direct Investment;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India, 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, 2009 – **Not Applicable to the Company during the Audit period;**
   (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulation, 2021 - **Not Applicable to the Company during the Audit period;**
   (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - **Not Applicable to the Company during the Audit period;**
   (f) The Securities and Exchange Board of India (Registration to an Issue and Share Transfers Agents) Regulations, 1993;
   (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - **Not Applicable to the Company during the Audit period;**
   (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - **Not Applicable to the Company during the Audit period;**

(i) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013 - **Not Applicable to the Company during the Audit period;**

6. Other Laws applicable to the Company;

(a) The Factories Act, 1948.

(b) The Payment of Wages Act, 1936.

(c) The Employee Provident Fund and Miscellaneous Provisions Act, 1952.

(d) The Payment of Gratuity Act, 1972.

(e) Environment Protection Act, 1986 and other environmental laws;

(f) Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2016; and

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

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

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

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There was no change in the composition of the Board of Directors during the period under review.

Adequate notice was given to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. All decisions at the Board Meetings and Committee Meetings were taken unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

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.

This report is to be read with the Annexure which forms an integral part of this report.

For **VKM & Associates**
Practising Company Secretaries

SD/-
(Vijay Kumar Mishra)
Partner
COP No. : 4279
Peer Review Cert. No. : 1846/2022
UDIN : F005023E000334165

Place: Mumbai
Date : 19/05/2023

"ANNEXURE A"

To,
The Members,
VINATI ORGANICS LIMITED
(CIN: L24116MH1989PLC052224)
B-12 & B-13, MIDC Indl. Area,
Mahad – 402 309, Dist. Raigad,
Maharashtra.

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

Management's Responsibility

1. It is the Responsibility of Management of the Company to maintain Secretarial records, device proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes 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. Where ever required, we have obtained the Management representation about compliance of laws, rules and regulations and happenings of events etc.

5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.

Disclaimer

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **VKM & Associates**
Practising Company Secretaries

SD/-
(Vijay Kumar Mishra)
Partner
COP No. : 4279
Peer Review Cert. No. : 1846/2022
UDIN : F005023E000334165

Place: Mumbai
Date : 19/05/2023

Annexure 'J'

Business Responsibility & Sustainability Report [BRSR]

SECTION A: GENERAL DISCLOSURE

I. Details of the Listed Entity

1	**Corporate Identity Number (CIN) of the Listed Entity**	L24116MH1989PLC052224
2	**Name of the Listed Entity**	Vinati Organics Limited (VOL)
3	**Year of incorporation**	1989
4	**Registered office address**	B-12 & B-13/1, MIDC Industrial Area, Raigad, Mahad, Maharashtra, 402 309
5	**Corporate address**	Parinee Crescenzo, 1102, 11th Floor, Plot No. C38 & C39, G Block, Behind MCA, Bandra-Kurla Complex, Bandra(E), Mumbai -400 051
6	**E-mail**	shares@vinatiorganics.com
7	**Telephone**	022-61240444/428
8	**Website**	www.vinatiorganics.com
9	**Financial year for which reporting is being done**	1st April 2022-31st March 2023
10	**Name of the Stock Exchange(s) where shares are listed**	National Stock Exchange of India Limited (NSE) and Bombay Stock Exchange Limited (BSE)
11	**Paid-up Capital**	₹ 10.28 Crore
12	**Contact Person**	
	Name of the Person	Mr. Milind Wagh
	Telephone	022-61240402
	Email address	shares@vinatiorganics.com
13	**Reporting Boundary**	
	Type of Reporting (Standalone /Consolidated Basis)	Standalone-Basis Reporting

II. Product/Services

		S.No.	Description of Main Activity	Description of Business Activity	% Turnover of the Entity
14	**Details of business activities** (accounting for 90% of the turnover)	1	Manufacturing	Chemical and Chemical Products	100

		S.No.	Product/Service	NIC Code	% Of Total Turnover contributed
15	**Products/Services sold by the entity** (accounting for 90% of the turnover)	1	Manufacturing of organic and inorganic chemical compounds	20119	100

III. Operations

		Location	Number of plants	No. of Offices	Total
16	**Number of locations where plants and/or operations/offices of the entity are situated:**	**National**	2	1	3
		International	0	0	0

	Market served by the entity	Locations	Numbers
17	• No. of Locations	National (No. of States)	18
		International (No. of Countries)	41
	• What is the contribution of exports as a percentage of the total turnover of the entity?	61%	
	• A brief on types of customers	Specialty chemical products manufactured by Vinati Organics Limited are used by diverse industrial sectors including Pharmaceutical, Personal Care, Polymers, Construction, Agriculture chemicals etc. Some of their customers are BASF, NALCO and DOW, having both national and international market presence.	

IV. Employees

18. Details as at the end of Financial Year:

S.No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
a. Employees and workers (including differently-abled)						
Employees						
1	Permanent (D)	1,097	1,059	97%	38	3%
2	Other than Permanent (E)	14	13	93%	1	7%
3	Total Employees (D+E)	1,111	1,072	96%	39	4%
Workers						
4	Permanent (F)	0	0	NA	0	NA
5	Other than Permanent (G)	688	688	100%	0	0
6	Total Workers (F+G)	688	688	100%	0	0
b. Differently abled employees and workers						
Differently abled Employees						
1	Permanent (D)	5	5	100%	0	0
2	Other than Permanent (E)	0	0	NA	0	NA
3	Total Differently Abled Employees (D+E)	5	5	100%	0	0
Differently abled Workers						
4	Permanent (F)	0	0	NA	0	NA
5	Other than Permanent (G)	0	0	NA	0	NA
6	Total Differently Abled Workers (F+G)	0	0	NA	0	NA

19. Participation/Inclusion/Representation of women

S.No.	Category	Total (A)	No. and % of females	
			No. (B)	% (B/A)
1	Board of Directors	8	4	50%
2	Key Management Personnel	6	2	33%

20. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

Category	FY 2022-23 (Turnover rate in current FY)			FY 2021-22 (Turnover rate in previous FY)			FY 2020-21 (Turnover rate in the year prior to previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	12.51 %	0	12.51%	4.9%	0	4.9%	9.56%	0	9.56%
Permanent Workers	NA	NA	NA	NA	NA	NA	NA	NA	NA

V. Holding, Subsidiary and Associate Companies (including joint ventures)

		S.No	Name of the holding / subsidiary / associate companies / joint ventures	Indicate whether it is a holding / Subsidiary / Associate / or 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)
21	Names of holding / subsidiary / associate companies / joint ventures	1.	Veeral Organics Private Limited	Subsidiary	100%	No

VI. CSR Details

22	a. Whether CSR is applicable as per section 135 of Companies Act, 2013:	Yes
	Turnover (in ₹)	₹ 2,085 Crore
	Net worth (in ₹)	₹ 2,219 Crore

VII. Transparency and Disclosures Compliances

		Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/ No)	If Yes, then provide web-link for grievance redress policy	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
					Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
23	Complaints/ Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct	Communities	Yes	Company has adopted Grievance Addressing & Handling Policy and Whistle Blower Policy web-link	0	0	NA	0	0	NA
		Investors (other than shareholders)	Yes		8	0	NA	27	3	NA
		Shareholders	Yes		0	0	NA	0	0	NA
		Employees and workers	Yes		0	0	NA	0	0	NA
		Customers	Yes		0	0	NA	0	0	NA
		Value Chain Partners	Yes		0	0	NA	0	0	NA

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

S. No	Material issue identified	Indicate whether risk or opportunity	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.	Climate Change Management	Risk	Considering the negative impacts of chemical manufacturing processes on environment and ecosystem, it becomes imperative to take steps towards making overall business operations, climate resilient. Additionally, risk of sustaining company reputation in the global market demands attention.	The Company recognizes the urgent need to align business practices and operation with global climate change commitments and committed to reduce its climate impacts. Company's manufacturing facilities are ISO 14001 (EMS) and ISO 45001 (OHSAS) certified, registered for EcoVadis program, which reflects their commitment towards making operations safe, sustainable and pollution free.	Negative financial implications from investment for implementing climate actions as identified by the organizations. Positive impact in long-run due to climate change management and lower operational expenditure.
2.	Energy Management	Risk	Energy generations through non-renewable resources results in release of harmful emissions in the atmosphere and is a direct contributor to greenhouse gas emissions. Major energy demand of the company processes is met through coal, resulting in high risk of managing the energy demand.	The Company has embarked on their journey to ensure efficient use of natural resources for reduced consumption of fossil fuels. It employs co-generation system for energy production providing both steam and power. Company is committed to explore alternate energy sources and has commissioned solar plant of 14.5 MW capacity. Currently, 55% of the total electricity consumption is met through renewable energy. The Company is also in the process of commissioning another solar plant of 11.25 MW during FY 2024.	Negative financial implication due to required investment for renewable energy sources. Positive impact in long-run due to energy security and lower operational expenditure.

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

S. No	Material issue identified	Indicate whether risk or opportunity	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.	Materials	Risk	Company uses Toluene, Propylene, Methyl Tert Butyl Ether, Acrylonitrile, water, coal, as major raw materials/ resources. Hence, these have a direct impact and results in natural resource depletion. Risk arising due to climate change can affect the Company's supply chain and business.	The Company has adopted sustainable procurement policy which emphasizes on purchasing goods and services with minimum strain on natural resources. Further the company plans to adopt circularity measures by increasing the efficiency of the processes, optimizing the inputs used through continuous innovation efforts, thereby achieving material efficiency.	Positive financial implication through use of optimum, efficient and recycled input materials.
4.	Waste Management	Risk	Regulatory compliance, increased health risks of community and moral obligation to protect environment makes it essential for safe and sound waste management. This is essential to eliminate waste stream interference with ecosystems and damage caused.	Owing to the necessity of managing all waste streams, company has installed Zero liquid discharge system by employing ETPs at both manufacturing plants. Hazardous waste is managed by authorized TSDF whereas Fly ash brick is sent for co-processing to be used for brick manufacturing by local community.	Negative financial implications from operation of Treatment infrastructure and association with waste management facilities. Positive impact as risk mitigation will lead to productivity enhancement due to increased yields.
5.	Water Stewardship	Risk	Water consumption for industrial operations leads to reduction in overall volume of the water available. Water sources depletions has wider impact on quality of life of communities and surrounding ecosystems.	Constant efforts towards reducing water withdrawal, water consumption and water wastage along with managing natural water resources develops a balance. Company has installed rainwater harvesting systems to replenish the water table and has installed reverse osmosis (RO) systems.	Negative financial implication for creating water harvesting infrastructure and installing water efficient systems.

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

S. No	Material issue identified	Indicate whether risk or opportunity	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.	Customer Relationship	Risk	Exporting major quantity of products overseas makes timely delivery very crucial for the company. Maintaining Quality of products with its affordability is fundamental need for improving customer relationship.	Company has provided special attention to cater the need of customers. Account managers are deployed to address queries from each customer account. Feedback collection system and review mechanism is part company's systematic efforts to continuously improve the customer experience.	Positive financial implication of market growth.
7.	Human Capital Management - Equal Opportunity, Diversity & Inclusion, Retention Strategy & Training	Risk	Right talent and capacity building on best practices in chemical manufacturing is important to understand equipment & machinery function knowledge, adopting safety and care in handling & transporting chemicals.	The Company has adopted a policy of zero discrimination and giving equal opportunity to its employees regarding recruitment and compensation based on industry standards. EHS training & behavioral sessions take place in manufacturing facilities. Company has one of the lowest attrition rates in its sector.	Negative financial implications from investments in training, skill development and implementation of HR policies Positive impact due to higher productivity.
8.	Human Rights	Risk	Human Rights is an important aspect for companies in chemical sector. Activities included in value chain like extraction of raw materials, loading & transportation as well as manufacturing of the chemicals may result in exposures to harmful radiation as well as exploitation of human rights in terms of employment conditions and low wages. This may result in loss of reputation for the company as well as harmful impact on the workforce.	The Company has a zero-tolerance against child labor, forced labor or involuntary labor. There is a policy on issues like Sexual Harassment, Vendor & Contractor engagement, Stakeholder engagement. As per internal stakeholders, no grievances were raised for human rights violation in the reporting period.	Negative implications is observed as the risk mitigation requires effort and capital to follow compliance of fundamental human rights.

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

S. No	Material issue identified	Indicate whether risk or opportunity	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)
9.	Local Community Engagement	Opportunity/ Risk	Risk: Chemical manufacturing involves producing harmful effluents & gases as byproducts which may negatively impact the local surroundings. It may lead to long-term health and ecological impact if not managed properly. Opportunity: Engagement with local communities helps in earning goodwill and trust building. Hiring from local area can promote employment and provide cheap labor.	The Company regularly engages with local communities to understand their needs and expectation, thereby, operate in harmony with them. They work towards providing services in the field of rural development, drinking water projects, providing solar street lights-water pumps, COVID relief, women education etc. to name a few. Services from local contractors and service providers are used to best possible extent.	Positive impact due to goodwill, reputation, and inclusive growth.
10.	Occupational Health and Safety	Risk	Occupational Health & Safety is an aspect which is very crucial since the nature of business deals in manufacturing of hazardous chemicals. These conditions pre-dispose employees towards safety hazards.	The Company has identified Workplace Health and Safety as a crucial component of Human Rights and labor Policy to protect the workers from hazards. Company is ISO 45001:2018 certified ensuring a robust environment management system. EHS training is conducted for manufacturing plant employees.	Negative impact due to increased operational cost incurred on safety training, protective gears and increased capital expenditure on ensuring asset integrity.
11.	Stakeholder Engagement	Opportunity	The involvement and agreement of stakeholders eliminate the chances of conflicts and increase productivity.	The Company collaborates with institutions and regulators periodically. It has whistleblower policy to keep the management activities in check. Stakeholder communication is made through the annual report, newspaper and website.	Positive impact due to reputation, goodwill and increased productivity of employees.

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

S. No	Material issue identified	Indicate whether risk or opportunity	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)
12.	Business Continuity Planning	Risk	Owing to uncertain situations like COVID, increased physical risk apparently due to climate change, hazards associated with chemical manufacturing and man-made disasters, it is crucial for an organization to have a robust business continuity planning.	The Company's backup IT systems are on cloud which ensures digital continuity in case of any physical risks related to climate change.	Negative Financial implications from IT infrastructure setup
13.	Compliance (Environment & Regulatory)	Risk	External regulatory environment is dynamic. Compliance to relevant environmental and financial laws is of most critical for business continuity and to avoid any fine/penalty which directly impacts organization's reputation.	Company has put robust and proactive system in place to monitor compliance requirement with implementing agencies where needed. Company has not received non - compliance notice for the reporting financial year.	Negative financial implication from compliance team deployment and implementing prescribed requirements.
14.	Data Privacy & Cyber Security	Risk	Data privacy and cyber security has emerged as a major threat in the business operations. Data breach of the Company's Information Technology systems leads to business damage and reputational risk, causing damage at both financial and non-financial ends.	The Company has Data Privacy and Cyber Security in place to control the access sensitive data and media, maintain Physical Security, Network and Cyber Security and prohibition of wireless connections.	Negative implication due to cost incurred on purchase of hardware and software needed for data security management system.
15.	Economic Performance	Opportunity	Global specialty chemical business is expected to grow by 11-12% during 2021-27 and 7-10% during 2027-40. India is expected to account for more than 20% of global consumption of chemicals over next two decades.	The Company has a diversified set of specialty chemicals manufacturing. It exports around 60-70% of the manufactured chemicals. It is the largest manufacturer of IBB & ATBS in the world. The credit ratings issued by CARE are AA (long-term bank facilities) and A1+ (short term bank facilities).	Positive impact due to growing global market and exports

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

S. No	Material issue identified	Indicate whether risk or opportunity	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)
16.	Ethical Business Conduct	Risk	Adherence to ethics and transparency in their day-to-day business operations at all levels is crucial for the Company. They have to abide by local, national & global norms of business. Failing to adhere to fair business practices can lead to penalties, sanctions and revenue loss.	The Company has adopted a Whistle Blower Policy as well as Code of Conduct as a control measure for unethical behavior, fraud and unfair practices. All our directors, KMPs, and employees are trained on ethical business practices. The Company has established robust systems and processes to conduct its business in an ethical and fair manner. We take annual independence declaration from directors and KMPs to ensure non conflict of interest.	Negative implication due to cost incurred on systems and processes to ensure strict compliance with applicable/emerging regulations Positive implication due to good customer reputation.
17.	Intellectual Capital - R&D & Innovation	Opportunity	Most of the products developed by company are research based. Making continuous innovation a priority, will result in improved quality of current products and new product development.	The Company focuses on innovation-led research and has a robust R&D team. The Company is in the process of new product development & trouble shooting of pilot plants/ existing products for de-risking.	Positive financial implication by creating novelty products and sustaining market leader position.
18.	Procurement and Supply Chain	Risk	Unplanned procurement practices have negative impact on supply chain while supplier selection impacts economic inclusion with transportation footprint. Quality of the material along with ensuring supplier stability have direct risk of product safety and quality.	Company has adopted Sustainable Procurement Policy for defining supplier selection process with criteria. Procurement planning and review is part of daily operations. Safe storage and handling practices are implemented at premises. Suppliers having upstream safe material storage, transportation specifications are outlined.	Negative financial implications for creating safe transportation, storage and training programs

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

S. No	Material issue identified	Indicate whether risk or opportunity	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)
19.	Product Stewardship	Risk	Company has largest market capture and manufacturing capacities for some of the products. The overall negative impact of the products on the ecosystem creates risk of sustainable operations and long terms business viability and market disruption.	The organization realizes the environmental impact of chemical products throughout their life and committed to reduce its negative footprints through continuous research and innovation efforts to develop safe and sustainable products.	Negative financial implication from research/ innovation-oriented investments
20.	Risk Management	Risk/ Opportunity	Risk management helps in identifying & mitigating various factors which can be an inherent risk and can lead to financial loss and non-compliance. It also helps to identify potential opportunities which may help a company to diversify its business and avoid certain risks.	Risk Management Committee consisting of members from Board of Directors is authorized to exercise all powers for risk management. It looks into risks which may impact company's ability to achieve its strategy, objectives and results.	Positive implications are there due to benefits obtained by identifying certain risks and tapping on potential opportunities.
21.	Tax	Risk	Tax avoidance by the Company may encourage other companies to aggressively plan their taxes leading to increase in cost associated with tax regulation and enforcement.	The Company's Finance Committee is responsible for the functions relating to excise, sales tax, income tax, customs and other such taxes. The Company has been regular in depositing Income Tax, Sales Tax, duty of customers, duty of excise, value added tax, cess and any other statutory dues where applicable as per Independent Auditor's report.	Negative implications due to cost incurred in paying applicable taxes
22.	Marketing & Labelling	Risk	Company exports the products in 40+ countries including Europe, America, and South Asia. Handling of specialty chemical products poses risk to environment, health and customer safety during its transportation, storage and use as intermediates.	As a responsible business, the Company is REACH complaint for European markets and complies with labelling requirements to inform customers about product composition, their use and disposal.	Negative Financial implication for complying with national and international labelling requirements.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and Management Processes										
1	**a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)**	Y	Y	Y	Y	Y	Y	Y	Y	Y
	b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	c. Web Link of the Policies, if available	https://vinatiorganics.com/corporate-governance/								
2	**Whether the entity has translated the policy into procedures. (Yes / No)**	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	**Do the enlisted policies extend to your value chain partners? (Yes/ No)**	Yes, the Company ensures that its suppliers are required to comply with all the applicable Company's policies								
4	**Name of the national and international codes/certifications/ labels/ standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.**	• ISO 9001:2015 (Quality Management System) • ISO 14001:2015 (Environmental management System) • ISO 45001:2018 (Occupational Health & Safety)								
5	**Specific commitments, goals and targets set by the entity with defined timelines, if any.**	The Company has onset on its Sustainability journey, with its maiden efforts of publishing the Business Responsibility and Sustainability Report (BRSR) for FY 2022-23. Furthermore, it will focus on improving and disclosing its ESG goals and commitments in subsequent year(s).								
6	**Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.**	The Company has onset on its Sustainability journey, with its maiden efforts of publishing the Business Responsibility and Sustainability Report (BRSR) for FY 2022-23. Furthermore, it will be assessing and reporting its performance against the ESG goals and commitments in subsequent year(s).								
Governance, Leadership and Oversight										
7	**Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements.** The Company is guided by its vision to become a global leader in manufacturing of niche specialty products and adopting eco-friendly technologies. The Company works in a collaborative approach with all its stakeholders across the value chain to adhere to the principles of responsible business. The Company is committed towards environment and society to achieve its ESG goals by adopting necessary initiatives. Both of its manufacturing plants are zero-effluent as well as ISO 14001 certified. The Company has adopted various waste management procedures to minimize effluent generation at the source. 55% of the Company's electricity consumption is met through renewable sources. The Company has commissioned two solar power plants – 7 MW at Solapur Karajagi (Maharashtra) and 7.5 MW at Osmanabad Tuljapur (Maharashtra) in this direction. Further, the Company is also going to commission an additional 11.25 MW solar plant during FY24. As a part of its CSR initiatives, Vinati Organics has undertaken various projects like providing education, rural development, employment generation, healthcare and hygiene standards, drinking water facilities and many such activities for the development of communities. The Company follows high standards for the health and safety of its employees. Its manufacturing facilities are ISO 45001 certified in this direction. Vinati Organics believes and strive towards adopting applicable standards in order to maintain ethical business conduct. Furthermore, the Company has onset on its Sustainability journey, with its maiden efforts of publishing the Business Responsibility and Sustainability Report (BRSR) for FY 2022-23. It is committed to focus on improving and disclosing its ESG goals and commitments in subsequent year(s) ahead.									
8	**Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).**	Name: Mr. Vinod Saraf Designation: Chairman DIN: 00076708								
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.**	No								

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action	All corporate policies along with ESG policy is integrated in day-to-day business operations of the Company implemented by management at all levels.									The Board reviews the policies periodically as deemed necessary and updated if required.								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	The Company is in compliance with all statutory requirements related to BRSR principles.									Annually								
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										P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
										The policies are reviewed internally by the relevant departments of the Company subjected to updates if required.								

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

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	1	Company has conducted familiarization program for with an objective to train them regarding the nature of the industry and business, operations, regulatory environment, roles & responsibilities, and code of conduct adopted by company.	100%
Key Management Personal (other than Executive Directors)	2	Various topics like Data Integrity & Data Privacy, Prevention of Sexual Harassment, ESG related aspects	100%
Employees other than BODs and KMPs	26	The topics covered under the training includes aspects, namely, health and safety, systems and processes, Responsible Care, and fire fighting.	75%
Other Than Permanent Workers*	1	Safety induction and safety hazards	100%

*Note - The Company doesn't have any permanent workers.

2. **Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format.**

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	NIL	NIL	NIL	NA
Settlement	NIL	NIL	NIL	NIL	NA
Compounding Fees	NIL	NIL	NIL	NIL	NA

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

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.**

Not Applicable

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

Yes. The Company has adopted Anti-corruption and Anti-bribery policy which is internally available on its intranet for employees. The Company has zero tolerance against corruption and bribery has taken steps towards prohibiting any such activities. It has implemented stringent monitoring system to ensure compliance with the policy. The Company handles any such cases with utmost fair and transparent procedures at all levels. The Company has outlined step wise procedure for reporting such incidents and has identified responsible officers to resolve issues and maintain effectiveness of policy.

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

	FY 2022-23 (Current Financial Year)	**FY 2021-22 (Previous Financial Year)**
Directors	NIL	NIL
KMPs	NIL	NIL
Employees	NIL	NIL
Workers	NIL	NIL

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

	FY 2022-23 (Current Financial Year)		**FY 2021-22 (Previous Financial Year)**	
	Number	**Remarks**	**Number**	**Remarks**
Number of complaints received in relation to issues of Conflict of Interest of the Directors	NIL	NA	NIL	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	NIL	NA	NIL	NA

7. **Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.**
Not Applicable

LEADERSHIP INDICATORS

1. **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 defined steps to resolve conflict of interests involving stakeholders in its Code of Conduct document which is available in public domain at link. It is fundamental duty of all independent director, applicable to all directors, that they shall not participate in any arrangement from which he/she may have direct or indirect benefits, which may conflict with interest of the Company.

PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe

ESSENTIAL INDICATORS

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

Type	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)	Details of improvement in social and environmental aspects
Research & Development (R&D)	100%	100%	• Installation of renewable power capacity through Solar Power Plant • Effluent Treatment Plant followed by Multi Effect Evaporator (MEE) and Reverse Osmosis (RO) • Other energy conservation and emission reduction initiatives. • Yield improvement • Zero Liquid Discharge • Air emission reduction
Capital Expenditure (CAPEX)	100%	100%	

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

Yes, the Company has a robust mechanism in place to sustainably procure raw materials from different suppliers considering availability, transportation, requirement of factories, etc. As per the Sustainable Procurement Policy of the company, procurement of goods and services is done with due consideration of its effect on health, safety, environment and strain on natural resources. The Company has also established Supplier Code of Conduct (COC) which includes guidelines on environment management, pollution prevention and waste management. The Supplier COC is applicable to both domestic and global suppliers as well as the employees, agents and contractors hired by the suppliers. It emphasizes on below points:

- Human Resources – The supplier shall ensure freely chosen employment, equal opportunity, compliance with respect to working hours & minimum wages, anti-trafficking laws across supply chains including freedom of association to their employees and workers
- Health & Safety – The supplier shall ensure provision of healthy & safe working environment, provide adequate training and safe, clean and secure accommodations (if applicable) to their employees & workers
- Environment Management – The supplier shall ensure that optimal processes are there for natural resource conservation, pollution prevention, waste management along with initiatives to encourage environment-friendly processes and climate change mitigation
- Governance – The supplier shall adhere with VOL policy, not offer or accept bribes to/from their business partners, provide grievance redressal mechanism to their employees and workers and ensure protection of IP related rights of their employees and business partners
- Subcontracting – The supplier shall not use any subcontractor for carrying out business activities with VOL unless the subcontractor abides by the same conditions as put forth by VOL.

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

The Company works with suppliers who diligently follow sustainable procurement practices. In subsequent years, necessary action will be taken to account for the percentage of inputs sourced sustainably.

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 does not reclaim any products for reusing, recycling and disposing at the end of life for plastics, e-waste, hazardous and other wastes, as it is not applicable to its business operations.

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.

No

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

ESSENTIAL INDICATORS

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

Category	% of employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		No. (B)	% (B/A)	No. (C)	%(C/A)	No.(D)	%(D/A)	No. (E)	%(E/A)	No. (F)	%(F/A)
Permanent Employees											
Male	1,059	1,059	100%	1,059	100%	NIL	NA	NIL	NA	NIL	NA
Female	38	38	100%	38	100%	38	100%	NIL	NA	NIL	NA
Total	1,097	1,097	100%	1,097	100%	38	100%	NIL	NA	NIL	NA
Other than Permanent Employees											
Male	13	13	100%	13	100%	NIL	NA	NIL	NA	NIL	NA
Female	1	1	100%	1	100%	1	100%	NIL	NA	NIL	NA
Total	14	14	100%	14	100%	1	100%	NIL	NA	NIL	NA

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

Category	% of workers covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		No. (B)	% (B/A)	No. (C)	%(C/A)	No.(D)	%(D/A)	No. (E)	%(E/A)	No. (F)	%(F/A)
Permanent Workers											
Male	0	0	NA	0	NA	0	NA	0	NA	0	NA
Female	0	0	NA	0	NA	0	NA	0	NA	0	NA
Total	0	0	NA	0	NA	0	NA	0	NA	0	NA
Other than Permanent Workers											
Male	688	688	100%	0	NA	0	NA	0	NA	0	NA
Female	0	0	NA	0	NA	0	NA	0	NA	0	NA
Total	688	688	100%	0	NA	0	NA	0	NA	0	NA

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

Sr. No.	Benefits	FY 2022-23 (Current FY)			FY 2021-22 (Previous FY)		
		No. of employees covered as a % of total employees	No. of workers covered as a % of total worker	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 worker	Deducted and deposited with the authority (Y/N/N.A.)
1	PF	100	100	Y	100	100	Y
2	Gratuity	100	100	Y	100	100	Y
3	ESI	4	0	Y	4	0	Y

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, all the workplaces of the Company are equipped with sufficient infrastructure and measures required for differently abled employees, as per the requirements of the Rights pf Persons with Disabilities Act, 2016, which includes easily accessible routes through ramps, corridors etc. In addition to this, the specially abled restrooms, signages in the building are also designed basis on the need of accessibility of workplace by all.

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

Yes, the Company has adopted equal employment opportunity policy published internally for all its employees to provide the same chances for employing, advancement and benefits to everyone without discriminating due to protected characteristics like: Age, **Sex / Gender**, **Sexual** orientation, HIV status, physical/mental/sensory disability, past or present military service, marital, family medical history or genetic information etc. With the objectives of improving recruitment and retention, avoid unfair discrimination & harassment and putting the entire workforce to best possible use, the Company is committed to the principles of equal employment opportunities for all employees.

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

Gender	Permanent Employees		Permanent Workers*	
	Return to work rate	Retention Rate	Return to work rate	Retention Rate
Male	NA	NA	NA	NA
Female	1	100%	NA	NA
Total	1	100%	NA	NA

*Note - The Company doesn't have any permanent workers.

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.

Category	Yes/No	Details of the mechanism in brief
Permanent Workers	Yes	The Company has grievance handling policy, which is available internally, to promote supportive and open culture for accepting, assessing resolving complaints in most transparent and ethical manner. A Grievance Committee is constituted at every plant location, inclusive of five members comprising of Senior person from HR, Plant head and three members, to address the concerns raised by employees and provide prompt and fair resolution following efficient procedure.
Other than Permanent Workers	Yes	
Permanent Employees	Yes	
Other than Permanent Employees	Yes	

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

Category	FY 2022-23 (Current FY)			FY 2021-22 (Previous FY)		
	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)
Permanent Employees						
Male	0	0	NA	0	0	NA
Female	0	0	NA	0	0	NA
Total	0	0	NA	0	0	NA
Permanent Workers						
Male	0	0	NA	0	0	NA
Female	0	0	NA	0	0	NA
Total	0	0	NA	0	0	NA

8. Details of training given to employees and workers:

Category	FY 2022-23 (Current FY)					FY 2021-22 (Previous FY)				
	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)	No. (B)		No. (E)	% (E/D)	No. (F)	%(F/D)
Permanent Employees										
Male	1,072	996	93%	137	13%	974	901	93%	0	0
Female	39	20	51%	10	26%	35	16	46%	0	0
Total	1,111	1,016	91%	147	13%	1,009	917	91%	0	0
Other than Permanent Workers*										
Male	688	688	100%	0	NA	619	619	100%	0	0
Female	0	0	NA	0	NA	0	0	NA	0	0
Total	688	688	100%	0	NA	619	619	100%	0	0

*Note - The Company doesn't have any permanent workers.

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

Category	FY 2022-23 (Current FY)			FY 2021-22 (Previous FY)		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who had a career review (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who had a career review (D)	%(D/C)
Permanent Employees						
Male	1,072	1,072	100%	974	974	100%
Female	39	39	100%	35	35	100%
Total	1,111	1,111	100%	1,009	1,009	100%
Permanent Workers						
Male	0	0	NA	0	0	NA
Female	0	0	NA	0	0	NA
Total	0	0	NA	0	0	NA

Note: Only permanent employees are considered for performance review. The figures in A and C indicate the number of employees eligible for review in the relevant years (which doesn't include the persons who joined the Company within six months of the closure of the financial year and persons serving notice period) and the figures in B and D indicate the number of eligible employees reviewed.

10. Health and safety management system:

a.	**Whether an occupational health and safety management system has been implemented by the entity? (Yes/No)**	Yes, the Company has implemented a robust occupational health & safety management system across all its manufacturing facilities to ensure safe working environment.
	a.1. What is the coverage of such system?	The Company has obtained ISO 45001 – OHSAS certification for its both its manufacturing plants.
b.	**What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**	Processes to identify work-related hazards include Hazard Identification & Risk Assessment, Internal Audits, Process Hazard Analysis, Work Permit system, Plant shutdown Startup procedure, HAZOP study, PMP procedure etc.
c.	**Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Yes/No)**	Yes. A safety committee is constituted at all plant locations and employees are encouraged to report the work-related hazards to the safety committee. In addition to this, all employees are also provided with opportunity to discuss work-related incidents during daily morning meeting conducted at plants.
d.	**Do the employees/worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)**	Yes

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

Safety Incident/Number	Category	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.47	0.52
	Workers	0.47	0
Total recordable work-related injuries	Employees	1	1
	Workers	1	0
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

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

As part of induction program, all employees of the Company are provided with training on Health and Safety at workplace by EHS department. In addition to this, safety mock drills are also conducted periodically for all employees to prepare them for quick response during emergencies. All measures as prescribed by ISO-18001 & ISO-45001, Factory Act, Environment Protection Act, Pollution Prevention Act, requirements related to Petroleum & Explosive Safety Organization are taken to ensure safe environment and workplace.

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

	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Filed during the year	**Pending resolution at the end of the year**	**Remarks**	**Filed during the year**	**Pending resolution at the end of the year**	**Remarks**
Working Conditions	0	0	NA	0	0	NA
Health & safety	0	0	NA	0	0	NA

14. Assessments for the year:

Topic	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100% of the plants are assessed regularly by factory inspector
Working Conditions	100% of the plants are assessed regularly by factory inspector

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

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)**

a. **Employees (Yes/No):** Yes

b. **Workers (Yes/No):** Yes

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

As per the provisions in Company policy, all value chain partners are required to provide proof of statutory dues paid within time limit to respective authorities while raising the invoices.

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:**

Category	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	
	Current FY 2022-23	Previous FY 2021-22	Current FY 2022-23	Previous FY 2021-22
Employees	0	0	0	0
Workers	0	0	0	0

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

Topic	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	100% for plants are assessed regularly by factory inspector
Working Conditions	100% for plants are assessed regularly by factory inspector

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

Not Applicable

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

Essential Indicators

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

The Company follows a robust procedure to identify stakeholder group that either have a significant impact on the business or are significantly impacted by Company's business and categorize them as 'key stakeholders'. The Company identifies promoters, employees, customers, business associates, recovery agents, investors, agents, suppliers, local residents and regulatory agencies as its 'key stakeholders'. As a responsible business entity, the Company recognizes all stakeholders and employs both formal and informal mechanisms to understand their needs, concerns and expectations. The Company has established Stakeholder Relationship Committee to maintain constructive relationship, fostering collaboration and mutual understanding, and ensuring that interests and concerns of its stakeholders are considered in the decision-making process. The Company has adopted the Code of Conduct to define the responsibilities which the Board Members and Senior Management have towards other stakeholders in the company.

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 & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders	No	• Annual Report • Press releases • Company website • Regulatory filings	As per requirement	• Financial performance • Responsible investment • Ethical business conduct • Long-term business growth • Risk management • Corporate governance • Brand management
Employees	No	• Employee engagement surveys • Townhalls, Project Meetings • Newsletters • Policies • Training and development	Regularly	• Environment, Health and safety • Training and learning • Career progression • Growth opportunities • Recognition • Job security • Fair remuneration • Diverse, inclusive, and enabling work culture • Work-life balance
Customers	No	• Surveys • Performance review meetings • Customer meetings and audits	Regularly	• Accessibility and affordability of • healthcare • Product quality and safety • Data privacy and security • Value added services • Patient and customer experience • Supply chain management
Suppliers	No	• Supplier performance evaluation • Supplier engagement forum • Procurement meetings	As per requirement	• Ethical business conduct • Risk and opportunity management • Material sourcing • Sustained business growth • Contract development and procurement • Timely payment of invoices
Local Residents	No	• CSR projects • Employee social impact • Awareness programs	Continuous, Need based, Annually	• Contributions for community welfare • Adherence to community expectations and needs
Regulatory Agencies	No	• Legal filings • Industry representations • Forums	As per requirement	• Regulatory compliance • Participation in public policy • Corporate governance • Disclosures

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 consultation with stakeholders on various economic, environmental and social aspects have been delegated to respective business / function heads, who gathers feedback and addresses concerns. The Company strives to continued engagement with its key stakeholders who helps to set expectations, thereby establishing trust and fostering open communication.

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 has conducted a robust stakeholder consultation, as a part of its materiality assessment by proactively engaging with its key internal stakeholders. This has aided in identification of key material environmental, social and governance topics, thereby, develop effective strategies for efficient management of identified material topics. Based on the identified topics, the Company has formulated an Environment, Social and Government (ESG) policy which acts a guided policy commitment for the management of the material topics in the business operations.

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

   The Company has implemented various initiatives with the help of its CSR team for the vulnerable and marginalized stakeholder groups. The CSR projects carried out by the Company cover education, healthcare, water, sanitation, rural development, sports and environment apart from COVID-19 and flood relief efforts. Some of the CSR engagement details are given below**:**

   - **Healthcare** – The Company supported to transform lives of children diagnosed with a critical illness with an amount of ₹ 10 Lakhs for Make a Wish Foundation. An amount of ₹ 6.8 Lakhs was paid for providing ambulance to Jansawand Rural Development Welfare Association, Mahad. ₹ 5 Lakhs were donated to INNACCEL for critical health problems and saving lives. ₹ 10 Lakhs was donated to SRCC Children's Hospital for helping in Paediatric Surgery.

   - **Education** – The Company donated ₹ 150 Lakhs to Jan Jagrati Sevarth Sansthan for school and education development programmes, ₹ 200 Lakhs was donated to Jhunjhunu Academy Sansthan for education of underprivileged and needy children, ₹ 100 Lakhs was donated to BITS Pilani for educational purpose and various other donations were made for supporting education of underprivileged section of society.

   - **Water** –The Company supported by helping in the construction of Water Storage Tank at ZP School -Mahad, for supply of drinking water in Khed Panchayat Samitee - Lote as well as paid an amount of ₹ 2.19 Lakhs towards Social Fund- Water Charges in MMA CETP Co-Operative Society Limited – Mahad.

   - **Environment** – The Company supported NAAM Foundation for river cleaning work at Chirani village with an amount of RS. 0.50 lac, donated ₹ 38.40 Lakhs towards advancing conservation outcomes in the Sahyadri Landscape to Wildlife Conservation Trust, donated ₹ 5 Lakhs to Gharda College of Engineering – Lote for purchasing ARSST Machine to safely identify potential chemical hazards in process industry

   - **Rural Development** – The Company donated ₹ 15 Lakhs for construction of Community Hall at Lote, ₹ 19.7 Lakhs for construction of retaining wall to avoid land sliding at Lote (Nangalwadi Village Ghat), donated ₹ 25 Lakhs to Swades Foundation for building dream villages in Mahad along with other donations for rural development projects.

PRINCIPLE 5: Businesses should respect and promote human rights

Essential Indicators

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

Category	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Total (A)	No. of employees /workers covered (B)	% (B / A)	Total (C)	No. of employees /workers covered (D)	% (D / C)
Employees						
Permanent	1,097	1,097	100%	995	995	100%
Other than permanent	14	14	100%	14	14	100%
Total Employees	1,111	1,111	100%	1,009	1,009	100%
Workers						
Permanent	NA	NA	NA	NA	NA	NA
Other than permanent	688	688	100%	619	619	100%
Total Workers	688	688	100%	619	619	100%

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

Category	FY 2022-23 Current Financial Year					FY 2021-22 Previous Financial Year				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Permanent Employees										
Male	1,059	1,059	100%	0	0	961	961	100%	0	0
Female	38	38	100%	0	0	34	34	100%	0	0
Total	1,097	1,097	100%	0	0	995	995	100%	0	0
Other than Permanent										
Male	13	13	100%	0	0	13	13	100%	0	0
Female	1	1	100%	0	0	1	1	100%	0	0
Workers										
Permanent										
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Other than Permanent										
Male	688	688	100%	0	0	619	619	100%	0	0
Female	0	0	NA	0	NA	0	0	NA	0	NA

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

	Male		Female	
	Number	**Median remuneration/ salary/ wages of respective categories (₹ In Lakhs)**	**Number**	**Median remuneration/ salary/ wages of respective categories (₹ In Lakhs)**
Board of Directors (Other than Executive Directors)	2	3.38	2	2.63
Executive Director(s)	2	164.33	2	118.35
KMPs	2	70.29	0	NA
Employees other than BoD and KMP	1,068	5.85	37	6.59
Workers	The Company doesn't have any permanent workers			

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 established a standing forum at both Group level and Individual level to aid and advise the management in its approach towards building sustainable Human Rights. Human Resource department is identified as responsible authority to implement the policy and conduct periodic audits to ensure compliance with the policy provisions. Human Rights policy focuses on essential elements, e.g., Freely chosen employment, No underage workers, Minimum wage/hour and other benefits, Humane treatment, Freedom of collective bargaining and Workplace health and safety.

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

The Company has adopted Grievance Addressing and Handling Policy and Human Rights Policy as it is committed to create an environment which inculcates respect and support for human rights and seeks to avoid connivance in human rights abuses. Both the policies are available internally for all employees. The company supports the dignity and well-being of all stakeholders including employees, management, community, customers and suppliers. As outlined in the policy, HR is made responsible for implementation, periodic review, and compliance of the Human Rights matters.

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

	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Filed during the year	**Pending resolution at the end of year**	**Remarks**	**Filed during the year**	**Pending resolution at the end of year**	**Remarks**
Sexual Harassment	0	0	NA	0	0	NA
Discrimination at workplace	0	0	NA	0	0	NA
Child Labour	0	0	NA	0	0	NA
Forced Labour/ Involuntary Labour	0	0	NA	0	0	NA
Wages	0	0	NA	0	0	NA
Other human rights related issues	0	0	NA	0	0	NA

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

The Company has Prevention of Sexual Harassment Policy in place which can be accessed at link. The Company has constituted a Complaints Committee for addressing the sexual harassment complaints and providing resolution with utmost fair manner and integrity. The policy has defined steps on how to raise complaints with the corrective actions for offenders and provision of protection to complainant.

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

Yes, the Company ensures that the Human Rights Requirements form a part of the business agreements, and contracts.

9. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labor	Nil
Forced/involuntary labor	Nil
Sexual harassment	Nil
Discrimination at workplace	Nil
Wages	Nil

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

Not Applicable

Leadership Indicators

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

Not applicable, as during the reporting period, no business process was modified as a result of addressing human rights grievances/complaints.

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

No, the Company has not conducted any Human Rights Due Diligence. However, there is an internal management check to ensure compliance with all human rights related aspects, within the Company's business operations.

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?

Yes, all the workplaces of the Company are equipped with sufficient infrastructure and measures required for differently abled visitors, as per the requirements of the Rights pf Persons with Disabilities Act, 2016, which includes easily accessible routes through ramps, corridors etc. In addition to this, the specially abled restrooms, signages in the building are also designed basis on the need of accessibility of workplace by all.

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

Essential Indicators

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

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total electricity consumption (A) (GJ)	1,26,483.48	1,12,343.12
Total fuel consumption (B) (GJ)	15,00,175.8	14,45,475.25
Energy consumption through other sources (C) (GJ)	0	0
Total energy consumption (A+B+C) (GJ)	16,26,659.28	15,57,818.37
Energy intensity per rupee of turnover (Total energy consumption/turnover in rupees) (GJ per million ₹)	78.01	96.60

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

No

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.**

No

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

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Water withdrawal by source (in kilo litres)		
(i) Surface water	0	0
(ii) Groundwater	0	0
(iii) Third party water	81,712	76,443
(iv) Seawater / desalinated water	0	0
(v) Others (Rainwater storage)	2,25,466	2,16,454
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	3,07,178	2,92,897
Total volume of water consumption (in kilolitres)	307,178	2,92,897
Water intensity per rupee of turnover (Water consumed / turnover) (kl per ₹ of revenue) (KL per million ₹)	14.73	18.16

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, Maharashtra Industrial Development Corporation has performed an external assessment for this activity at Lote plant.

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

Yes. ZLD Implementation is in progress at Mahad manufacturing plant. Water treated by Effluent Treatment Plant will be recycled through Reverse Osmosis (RO) & Multi Effect Evaporator (MEE) processing. At Lote manufacturing plant, water is treated by Effluent Treatment Plant followed by MEE & RO.

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

Parameter	Please specify unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
NOx	MT	10.48	10.67
SOx	MT	8.11	5.76
Particulate matter (PM)	MT	55.63	52.70

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. At Mahad manufacturing plant, Green Circle INC has performed an independent external assessment. For Lote plant, no such assessment has been done.

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

Parameter	Unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	**tCO2e**	1,44,125.58	1,38,881.46
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	**tCO2e**	11,250.37	20,892.81
Total Scope 1 and Scope 2 emissions per rupee of turnover (tCO2e per million ₹)	**tCO2e**	7.45	9.90

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

– No

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

Yes, the Company has taken below projects to reduce greenhouse gas emissions and meet its energy requirements by adopting renewable options:

- It has commissioned 14.5 MW of solar power plant in line with Company's ESG initiatives. The power generated is given to Mahad manufacturing plant which reduces the dependence on Maharashtra State Electricity Board and more importantly converts major part of electricity generated from coal to renewable energy thereby reducing green-house emissions
- Presently, 55% of the electricity consumption is met through renewable energy
- Company has done Energy Audits in both plants to identify excess energy consumption and means to reduce the same to the best possible extent
- Company has implemented scheme for increasing condensate recovery and recycle of DM Water in its Co-Gen Power plant so as to reduce the coal and DM Water consumption
- Company has also installed energy efficient pumping system to reduce overall load on utilities like power
- Company is implementing Waste Heat Recovery Based Chilled water plant to cater the chilled water requirement of Process Plant thus reducing the electricity consumption

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

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	12.08	8.25
E-waste (B)	0.20	0.10
Bio-medical waste (C)	0.01	0.01
Construction and demolition waste (D)	749.8	22.31
Battery waste (E)	0.51	2.25
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any. (G)	171.8	101.57

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	248.46	225.57
Total (A+B + C + D + E + F + G+ H)	**1,182.86**	**360.06**
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	36.61	35.73
(ii) Re-used	976.53	225.31
(iii) Other recovery operations	0	0
Total	**1,013.14**	**261.04**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	151.57	81.11
(ii) Landfilling	18.14	17.90
(iii) Other disposal operations	0	0
Total	**169.71**	**99.01**

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

- No

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

All of the generated waste are disposed as per conditions given by Maharashtra Pollution Control Board. Owing to the necessity of managing all waste streams, company has installed Zero liquid discharge system by employing ETPs at both manufacturing plants. Hazardous waste is managed by authorized Treatment, Storage and Disposal Facility (TSDF) whereas fly ash is used for manufacturing bricks by local community. Constant efforts towards reducing water withdrawal, water consumption and water wastage along with managing natural water resources develops a balance.

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

None of the operations/offices of the Company are situated in ecologically sensitive areas.

S. No.	Locations of operations/offices	Type of operations	Whether the conditions of environmental approval/ clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
1	Vinati Organics Limited, Plot No.-A/20, Lote Parshuram, MIDC, Khed, Ratnagiri, Maharashtra	Manufacturing of Organic Chemicals	Yes
2	Vinati Organics Limited, Plot No.-A/20, D-30/2 Lote Parshuram, MIDC, Khed, Ratnagiri, Maharashtra	Expansion of Manufacturing of Organic Chemicals	Yes

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

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Manufacturing of Organic Chemicals	EIA notification 2006 and being "B" category	21st September 2016	Yes	Yes	-
Expansion of Manufacturing of Organic Chemicals	EIA notification 2006 and being "B" category	21st September 2016	Yes	Yes	-

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

Yes, the Company is ISO 14000 certified and is compliant as per Maharashtra Pollution Control Board norms.

Leadership Indicators

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
From renewable sources (in GJ)		
Total electricity consumption (A)	69,838.26	17,135.40
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)- (on-site solar installation)	0	0
Total energy consumed from renewable sources (A+B+C)	69,838.26	17,135.40
From non-renewable sources (in GJ)		
Total electricity consumption (D)	56,645.22	95,207.72
Total fuel consumption (E)	15,00,175.8	14,45,475.25
Energy consumption through other sources (F)	0	0
Total energy consumed from non-renewable sources (D+E+F)	1556821.02	1540682.97

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

Yes. An independent assessment has been performed by M/s Synerpro Solutions LLP at Lote manufacturing plant.

2. Provide the following details related to water discharged:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)		
(iv) Sent to third-parties	7,300	7,200
With treatment – please specify level of Treatment	Primary, Secondary, Tertiary	Primary, Secondary, Tertiary
Total water discharged (in kilolitres)	7,300	7,200

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, MPCB has carried out independent assessment.

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

Not applicable, as none of the operations of the plant are in the water stress areas.

4. **Please provide details of total Scope 3 emissions & its intensity, in the following format**

The Company is in the process of estimating its Scope-3 emissions, and will be disclosing on the related in the subsequent reports ahead.

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.

Not applicable

5. **With respect to the ecologically sensitive areas reported at Question 10 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 as there is no notified protected areas / Critically polluted areas / Eco sensitives areas / inter-state boundaries upto 10 km distance.

6. **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 (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Stack & ESP Installation	Stacks & ESP provided for emission control. The Online Monitoring system is in place	Parameters are maintained & are within limit
2	ETP, MEE & RO	Effluent Treatment Plant followed by MEE & RO is in operation. The Online Effluent monitoring system is in place.	Parameters are within limit or as per norms.
3	Hazardous waste storage shed & timely disposal to authorized party	Hazardous waste is segregated, stored & disposed to authorized vendor timely.	……

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

The Company has a well-equipped disaster control plan as well as onsite emergency plan which covers all possible emergency scenarios along with details of emergency equipment like fire extinguishers, fire hydrant system, fire alarm system, Hydrocarbon leak detection system, emergency communication system, roles and responsibilities of each employee, contractors and visitors during emergency, contact details of external emergency services like fire brigade, ambulance, hospitals, doctors, nearby industries and other government authorities. Preventive measures are taken to avoid any abnormal situation. Mitigation methods are there to tackle with any emergency situation. Mock drill is conducted once in every six months. The backup IT systems are on cloud which ensures digital continuity in case of any physical risks related to climate change.

8. **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 significant adverse impacts have been identified arising from the value chain of the company.

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

ESSENTIAL INDICATORS

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

The Company is a member of two (2) trade and industry chambers/associations.

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

S. No	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/associations (State/National)
1	Mahad Manufacturing Association	State
2	Lote Parshuram Industrial Association	State

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

During the financial year 2022-23, the Company has not received any cases related to anti-competitive practices.

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development.

ESSENTIAL INDICATORS

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

During the financial year 2022-23, no social impact assessment was performed for the projects undertaken by the Company.

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

Not Applicable

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

The Company proactively meets with key stakeholder groups including local communities, to increase awareness about the Company's business, and provide explanations of their standpoints and answer queries as well.

4. Percentage of input material (inputs to total inputs by value) sourced from local or small-scale suppliers:

	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Directly sourced from MSMEs/ Small producers	NIL	NIL
Sourced directly from within the district and neighbouring districts	27%	20%

LEADERSHIP INDICATORS

1. Details of beneficiaries of CSR Projects.

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Eradicating hunger, poverty and malnutrition, and sanitation and making available safe drinking water.	3,700+	100%
2	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	3,392+	100%
3	Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups	9,670+	100%
4	Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water [including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga].	700+	100%
5	Measures for the benefit of armed forces veterans, war widows and their dependents, [Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows]	2,400+	NA
6	Training to promote rural sports, nationally recognized sports, paralympic sports and Olympic sports	-	NA
7	Rural development projects	2,850+	100%
8	Disaster management, including relief, rehabilitation and reconstruction activities	50+	100%

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

ESSENTIAL INDICATORS

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

The Company has a robust mechanism in place to channelise and redress consumer complaints, welcomes feedback for incorporation in business operations through on-going interactions, and strives to respond to them promptly. With the intent to work in collaboration with its consumers, the Company has a dedicated segment on its website 'Enquire Now' which provides a platform to the consumers and other stakeholders to raise any query.

Weblink to the website: https://vinatiorganics.com/contact-us/

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

Information related to	As a percentage to total turnover
Environment and Social parameters relevant to product	100%
Safe and responsible usage	100%
Recycling and/or safe disposal	100%

3. **Number of consumer complaints**

	FY 2022-23 Current Financial Year		FY 2021-22 Previous Financial Year	
	Received during the year	**Pending resolution at the end of year**	**Received during the year**	**Pending resolution at the end of year**
Data privacy	0	NA	0	NA
Advertising	0	NA	0	NA
Cyber-security	0	NA	0	NA
Delivery of essential services	0	NA	0	NA
Restrictive Trade Practices	0	NA	0	NA
Unfair Trade Practices	0	NA	0	NA
Others (Specifications, Labelling, and Packaging)	0	NA	0	NA

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

	Number	Reason for recall
Voluntary recalls	**Nil**	NA
Forced recalls	**Nil**	NA

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.**

Yes. The Company has framed and implemented the policies on Data Privacy and Cyber Security, with the provisions of controlling the access to confidential and sensitive data. These policies also address the numerous operational risks of Physical risk, Network risk and cyber risk. Prohibition on wireless devices and networks is ensured through these policies which are available internally for employees.

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

LEADERSHIP INDICATORS

1. **Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

The Company transparently discloses and share the information of its products to all its stakeholders. Company's website has a designated segment on 'Our Products', covering details of its products such as Speciality Aromatics, Speciality Monomers, Butyl Phenols, Other Speciality Products, and Miscellaneous Polymer. It highlights details such as product specifications and properties, dosage and directions for use, industry application, and packing.

Web-link to the platform for accessing information of the Company's products and services - https://vinatiorganics.com/speciality-aromatics/

Standalone Financial Statements

Independent Auditor's Report

TO THE MEMBERS OF VINATI ORGANICS LIMITED

Opinion

We have audited the Separate financial statements (also known as Standalone Financial Statements) of VINATI ORGANICS LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March 2023, the Statement of Profit and Loss (including other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 (Ind AS) prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at 31st March, 2023, and its profit(financial performance including other comprehensive income), the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Sr. No.	Key Audit Matter	Our Response
1	**Defined benefit obligation** The valuation of the retirement benefit schemes in the Company is determined with reference to various actuarial assumptions including discount rate, future salary increases, rate of inflation, mortality rates and attrition rates. Due to the size of these schemes, small changes in these assumptions can have a material impact on the estimated defined benefit obligation.	We have examined the key controls over the process involving member data, formulation of assumptions and the financial reporting process in arriving at the provision for retirement benefits. We tested the controls for determining the actuarial assumptions and the approval of those assumptions by senior management. We found these key controls were designed, implemented and operated effectively, and therefore determined that we could place reliance on these key controls for the purposes of our audit. We tested the employee data used in calculating the obligation and where material, we also considered the treatment of curtailments, settlements, past service costs, remeasurements, benefits paid, and any other amendments made to obligations during the year. From the evidence obtained, we found the data and assumptions used by management in the actuarial valuations for retirement benefit obligations to be appropriate.

Sr. No.	Key Audit Matter	Our Response
2	**Property, Plant & Equipment (Including Capex)** Tracking and monitoring capex requires more attention to ensure reasonable accurateness and completeness of financial reporting in respect of Property, plant and equipment. Further, technical complexities require management to assess and make estimates/judgements about capitalization, estimated useful life, impairment etc. which has material impact on Balance sheet and operating results. Refer note 1(B)(iii) to Standalone financial statements	**Principal Audit Procedures** Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows; i. We assessed company's process regarding maintenance of records and accounting of transactions pertaining to property, plant and equipment including capital work in progress with reference to Indian Accounting Standard 16. ii. We have carried out substantive audit procedures at financial and assertion level to verify the capitalization of assets as Property, Plant & Equipment iii. We have reviewed management judgement pertaining to estimation of useful life and depreciation of the Property, Plant and equipment in accordance with Schedule II of the Companies Act, 2013. iv. We have relied on physical verification conducted by management and management representations.

Information Other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Management Discussion and Analysis, Report on Corporate Governance, Business Responsibility Report, but does not include the Standalone Financial Statements and our auditor's report thereon. Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, Changes in Equity and Cash Flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error

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

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

Auditor's Responsibility for the audit of the Standalone financial statements

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from

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

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

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion, The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current year 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 in terms of Section 143 (11) of the Act, we give in "Annexure A" - a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143 (3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), 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 financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.

   e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting

g) As required by section 197(16) of the Act, based on our audit, we report that the Company has paid and provided for remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone financial statements – Refer Note 28 (i) to the Standalone financial statements;

ii. The Company did not have any long-term contracts including derivative contracts, for which there were any material foreseeable losses during the year ended 31st March, 2023;

iii. There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the company.

iv. (a) As represented to us by the management and to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities (Intermediaries"), with the understanding whether recorded in writing or otherwise that the Intermediary shall, 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; and

(b) As represented to us by the management and to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the 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 any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures 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), as provided under (a) and (b) above, contain any material misstatement.

v. The Company has complied with the provisions with respect to Section 123 of the Companies Act, 2013 in respect of final dividend proposed in the previous year and paid during the year and the proposed final dividend for the year which is subject to the approval of members at the ensuing Annual General Meeting and;

vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), which provides for maintaining books of account in accounting software having a feature of recording audit trail of each and every transaction, creating an edit log of each change made in books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled, is applicable to the Company only with effect from financial year beginning April 1, 2023, the reporting under clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), is currently not applicable.

For **M M NISSIM & CO LLP**
Chartered Accountants
(Firm Regn. No. 107122W/W100672)

(N. Kashinath)
Partner
Mem. No.: 036490
Mumbai, 19th May,2023
UDIN : 23036490BGXRXZ9965

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF VINATI ORGANICS LIMITED

i) 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 Property, Plant & equipment have been physically verified by the management in accordance with a regular programme of verification, which in our opinion is reasonable, considering the size and the nature of its business. The frequency of verification is reasonable and no material discrepancies have been noticed on such physical verification;

c) Based on our examination of the registered sale deed / transfer deed / conveyance deed / property tax paid documents (which evidences title) provided to us, we report that, the title deeds of all the immovable properties disclosed in the financial statements included in property, plant and equipment are held in the name of the Company as at the balance sheet date.

d) The company has not revalued its Property, Plant & Equipment and Intangible Assets during the year. Accordingly, provisions clause (i)(d) of Para 3 of the Order are not applicable to the Company.

e) No proceedings have been initiated during the year or are pending against the Company as at 31st March 2023 for holding any benami property under the Benami Transaction (Prohibition) Act, 1988, as amended and rules made thereunder.

ii) a) The inventory, except for goods in transit, has been physically verified by the management during the year at reasonable intervals. In our opinion, the coverage and procedure of such verification by the management is appropriate having regard to the size of the Company and the nature of its operation. For goods in transit, the goods have been received subsequent to the year-end or confirmation have been obtained. No discrepancies of 10% or more in the aggregate for each class of inventory were noticed on such physical verification of inventory when compared with books of account.

b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, at any point of time during the year, from banks on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the returns or statements comprising stock statements, book debt statements, credit monitoring arrangement reports, statements on ageing analysis of the debtors / other receivables, and other stipulated financial information filed by the Company with such banks are in agreement with the unaudited books of account of the Company for the respective quarters and with the audited books of account of the company for the fourth quarter.

iii) The company has made investments in its wholly owned subsidiary company. The Company has not provided any guarantee or security to companies, firms, Limited Liability Partnerships or any other parties during the year.

a) The Company has provided loans or advances in the nature of loans during the year and details of which are given below;

	Loans (₹ in Lakhs)
A. Aggregate amount granted during the year	
- a Company (proposed to be amalgamated with the Company)	7,619.50
B. Balance outstanding as at balance sheet date in respect of above cases:	
- a Company (proposed to be amalgamated with the Company)	32,853.90

In our opinion, the investments made and the terms and conditions of the grant of loans, during the year are, prima facie, not prejudicial to the Company's interest.

c) In respect of loan granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of

principal amounts and receipts of interest are generally been regular as per stipulation.

d) In respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loan granted to settle the overdues of existing loan given to the same party.

f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable

iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 of the Companies Act, 2013; in respect of loan granted to a Company (proposed to be amalgamated with the Company) during the year amounting to ₹ 32,853.90 Lakhs. The Company has complied with provisions of Section 186 of the Companies Act, 2013 with respect of investments made by the Company.

v) The Company has not accepted any deposits or amounts which are deemed to be deposits Accordingly, provisions clause (v) of Para 3 of the Order are not applicable to the Company.

vi) We have broadly reviewed the books of account maintained by the company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148 (1) of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.

vii) a) In our opinion, the company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales-Tax, Service Tax, Goods & Services Tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with appropriate authorities, where applicable. According to the information and explanations given to us, there are no undisputed amounts payable in respect of such statutory dues which have remained outstanding as at 31st March, 2023 for a period of more than six months from the date they became payable.

b) According to the records of the company, the dues outstanding of income-tax, sales-tax, service tax, duty of customs, duty of excise and value added tax on account of any dispute, are as follows:

₹ in Lakhs

Statute and nature of dues	Financial year to which the matter pertains	Forum where the dispute is pending	₹
CUSTOMS ACT, 1962			
Customs Duty and penalty	March, 2012 to May 2012	Appellate Tribunal	45.08
CENTRAL EXCISE ACT, 1944 and Finance Act 1994			
Service Tax	Jan., 2012 to Nov., 2012	Appellate Tribunal	2.36
INCOME TAX, 1961			
Income Tax	2009-10	Appellate Commissioner	0.86
	2021-22	Assistant Commissioner of Tax	9.73

viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year

ix) a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year. Accordingly, provisions clause (ix)(c) of Para 3 of the Order are not applicable to the Company.

d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

f) The Company has not raised any loans during the year.

Accordingly, provisions clause (ix)(f) of Para 3 of the Order are not applicable to the Company.

x) a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, provisions clause (x)(a) of Para 3 of the Order are not applicable to the Company.

b) The Company has not made any preferential allotment or private placement of share or fully convertible debentures (fully, partially or optionally convertible) during the year and accordingly provisions of clause (x)(b) of Para 3 of the Order are not applicable to the Company.

xi) a) On the basis of our examination and according to the information and explanations given to us, no fraud by the Company or any material fraud on the company has been noticed or reported during the year, nor have we been informed of any such case by the management.

b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year.

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

xii) The company is not a nidhi Company and accordingly provisions of clause (xii) of Para 3 of the order are not applicable to the Company.

xiii) On the basis of our examination and according to the information and explanations given to us, we report that all the transaction with the related parties are in compliance with Section 177 and 188 of the Act, and the details have been disclosed in the Financial statements in Refer Note 28(f) as required by the applicable accounting standards.

xiv) a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

b) We have 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, in our opinion during the year the Company has not entered into any non -cash transactions with directors or persons connected with the directors and hence provisions of Sec 192 of the Companies Act, 2013 are not applicable to the company.

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

b) During the year, the Company has not conducted any Non-Banking Financial or Housing Finance activities and accordingly, provisions of clause (xvi)(b) of Para 3 of the Order are not applicable to the Company.

c) The Company is not a Core Investment Company (CIC) as defined in the Regulations made by theReserve Bank of India and accordingly the provisions of clause (xvi) of Para 3 of the Order is not applicable to the Company.

d) The group does not have any CIC as a part of the group and accordingly reporting under clause (xvi)(d) of Para 3 of the Order is not applicable to the Company.

xvii) The Company has not incurred cash losses during the Financial Year covered by our audit and in the immediately preceding Financial Year.

xviii) There has been no resignation of the statutory auditors of the Company during the year.

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

xx) a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

b) In respect of ongoing projects, the Company has transferred unspent Corporate Social Responsibility (CSR) amount as at the end of the previous financial year, to a Special account within a period of 30 days from the end of the said financial year in compliance with the provision of section 135(6) of the Act.

For **M M NISSIM & CO LLP**
Chartered Accountants
(Firm Regn. No. 107122W/W100672)

(N. Kashinath)
Partner
Mem. No.: 036490
Mumbai, 19th May,2023
UDIN : 23036490BGXRXZ9965

"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE IND AS FINANCIAL STATEMENTS OF VINATI ORAGNICS LIMITED.

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")

Opinion

We have audited the internal financial controls with reference to Standalone Financial Statements of VINATI ORGANICS LIMITED ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to Standalone Financial Statements and such controls were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India(ICAI).

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by Institute of Chartered Accountants of India and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of Internal Financial Controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Standalone Financial Statements were established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with reference to Financial Statements

A Company's internal financial control with reference to 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

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

Standalone Balance Sheet

as at 31 March 2023

(₹ in Lakhs)

Particulars	Note	As at 31 March 2023	As at 31 March 2022
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	2 (a)	88,108.75	87,193.50
Capital Work-in-Progress	2 (b)	22,119.23	4,728.85
Other Intangible Assets	2 (c)	89.50	123.20
Financial Assets;			
– Investments	3	6,154.22	9,776.70
– Loans	4	32,853.90	25,234.40
– Other financial assets	5	158.25	633.72
Other non-current assets	6	6,287.04	3,721.82
Current Assets			
Inventories	7	19,094.84	12,193.96
Financial Assets;			
– Investments	3	19,398.71	11.58
– Trade Receivables	8	46,958.19	45,838.11
– Cash and cash Equivalents	9	235.04	93.57
– Bank balances other than cash and cash equivalents	10	593.02	334.48
– Loans	4	0.18	28.68
– Others financial assets	5	3,175.18	2,741.03
Current Tax Assets (Net)		1,235.29	1,745.31
Other current assets	6	8,255.90	9,155.69
TOTAL ASSETS		**2,54,717.24**	**2,08,976.52**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	SOCE	1,027.82	1,027.82
Other Equity	SOCE	2,20,852.02	1,81,785.89
Total Equity		**2,21,879.84**	**1,82,813.71**
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities			
– Other Financial Liabilities	11	671.37	446.00
Deferred Tax Liabilities (Net)	12	10,207.92	9,002.19
Current Liabilities			
Financial Liabilities			
– Borrowings	13	20.10	1,839.89
– Trade Payables			
(A) total oustanding dues of micro & small enterprises	14	146.13	480.56
(B) total outstanding dues otherthan micro & small enterprises	14	11,647.46	10,458.72
– Other Financial Liabilities	11	806.08	741.69
Other Current Liabilities	15	7,877.64	2,601.36
Provisions	16	506.33	536.58
Current Tax Liabilities (Net)		954.37	55.82
Total Liabilities		**32,837.40**	**26,162.81**
TOTAL EQUITY AND LIABILITIES		**2,54,717.24**	**2,08,976.52**
Significant Accounting Policies	1		

Accompanying Notes are an integral part of these financial statements

This is the Balance Sheet referred to in our report of even date

For M.M.Nissim & Co LLP
Chartered Accountants
Firm Reg.No. 1107122W/W100672

N.Kashinath
Partner
Mem.No.036490
UDIN: 23036490BGXRXZ9965

Mumbai, Dated 19th May, 2023

For and on behalf of Board of Directors

Millind Wagh
Company Secretary

Vinod Saraf
Chairman
DIN: 00076708

Nand Kishor Goyal
Chief Financial Officer

Vinati Saraf Mutreja
Managing Director & CEO
DIN: 00079184

Standalone Statement of Profit and Loss

for the year ended 31 March 2023

(₹ in Lakhs)

Particulars	Note	Year ended 31 March 2023	Year ended 31 March, 2022
INCOME			
Revenue from Operations	17	2,08,470.55	1,61,551.18
Other Income	18	7,242.72	6,096.24
TOTAL INCOME		**2,15,713.27**	**1,67,647.42**
EXPENSES			
Cost of materials consumed	19	1,08,856.21	85,532.03
Purchase of Stock in Trade		-	581.30
Changes in inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	20	(507.61)	(40.98)
Employee Benefits expense	21	9,322.08	8,398.54
Finance Costs	22	62.72	25.87
Depreciation and Amortisation expense	23	5,193.92	4,548.63
Other Expenses	24	31,256.89	23,671.44
TOTAL EXPENSES		**1,54,184.21**	**1,22,716.83**
PROFIT BEFORE TAX		**61,529.06**	**44,930.59**
TAX EXPENSE			
Current Tax		14,556.35	10,146.00
Deferred Tax		1,205.72	1,209.45
Earlier year Adjustments		(31.29)	(1,092.37)
TOTAL TAX EXPENSE		**15,730.78**	**10,263.08**
PROFIT FOR THE YEAR		**45,798.28**	**34,667.51**
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to Profit or Loss			
Remeasurements of Defined benefit plans		(68.58)	(37.80)
Income Tax relating to items that will not be reclassified to Profit or Loss		17.26	9.51
TOTAL OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX		**(51.32)**	**(28.29)**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**45,746.96**	**34,639.22**
EARNINGS PER EQUITY SHARE	28 (a)		
Basic		44.56	33.73
Diluted		44.56	33.73
Significant Accounting Policies	1		

Accompanying Notes are an integral part of these financial statements

This is the Statement of Profit and Loss referred to in our report of even date

For M.M.Nissim & Co LLP
Chartered Accountants
Firm Reg.No. 1107122W/W100672

N.Kashinath
Partner
Mem.No.036490
UDIN: 23036490BGXRXZ9965

Mumbai, Dated 19th May, 2023

For and on behalf of Board of Directors

Millind Wagh
Company Secretary

Vinod Saraf
Chairman
DIN: 00076708

Nand Kishor Goyal
Chief Financial Officer

Vinati Saraf Mutreja
Managing Director & CEO
DIN: 00079184

Standalone Cash Flow Statement

for the year ended 31 March 2023

(₹ in Lakhs)

	Particulars	Year Ended 31 March 2023 Audited		Year Ended 31 March 2022 Audited	
A.	**CASH FLOW FROM OPERATING ACTIVITIES :**				
	NET PROFIT BEFORE TAX		61,529.06		44,930.59
	Adjustment for :				
	Depreciation	5,193.92		4,548.63	
	Unrealised foreign exchange loss/(gain)	(221.93)		(560.56)	
	Finance Cost (including fair value change in financial instruments)	62.72		25.87	
	Project expenses w/off	224.94		-	
	Interest Income	(2,219.77)		(1,371.43)	
	Dividend Income	(36.58)		(31.44)	
	Net Loss on fair value changes on financial assets classified as FVTPL	233.76		(1,072.29)	
	Net gain on sale of Investments classified as FVTPL	(130.76)		(378.12)	
	Loss / (Gain) on Sale / Disposal of Property, Plant and Equipment	(1.33)	**3,104.97**	(0.80)	**1,159.86**
	OPERATING PROFIT/(LOSS) BEFORE WORKING CAPITAL CHANGES		**64,634.03**		**46,090.45**
	Trade receivables	(876.77)		(17,529.29)	
	Other Non Current Financial assets	(6.42)		46.86	
	Other Current Financial assets	1,430.65		(291.69)	
	Other Non Current Assets	0.49		14.76	
	Other Current Assets	899.79		(4,385.10)	
	Inventories	(1,478.96)		(5,421.92)	
	Trade Payable	872.50		4,809.24	
	Provisions	(98.83)		28.86	
	Other Non Current Financial Liabilities	199.19		46.85	
	Other Current Financial Liabilities	52.27		152.09	
	Other current liabilities	5,269.34	6,263.25	(38.38)	(22,567.72)
	CASH GENERATED FROM OPERATIONS		**70,897.28**		**23,522.73**
	Direct Taxes paid		(13,099.25)		(10,813.01)
	NET CASH FROM OPERATING ACTIVITIES		**57,798.03**		**12,709.72**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Purchase of Property, Plant and Equipment	(6,077.08)		(16,198.74)	
	Capital Work in Progress And Capital Advance	(20,181.03)		(484.68)	
	Proceeds from sale of Property, Plant and Equipment	2.98		17.68	
	Investment in Subsidiary (including share application money pending allotment of ₹ Nil (P.Y. ₹ 425 Lakhs)	(1,966.64)		(851.00)	
	Purchase of Investments	(12,839.86)		(4,037.65)	
	Proceeds from sale of Investments	11,307.18		7,553.65	
	Loans (Financial assets)	(7,591.00)		(11,966.89)	
	Deposits/Balances with Banks	(201.65)		53.07	
	Interest Income	354.97		300.91	
	Dividend income	36.58		31.44	

Standalone Cash Flow Statement

for the year ended 31 March 2023

(₹ in Lakhs)

	Particulars	Year Ended 31 March 2023 Audited		Year Ended 31 March 2022 Audited	
	NET CASH USED IN INVESTING ACTIVITIES		**(37,155.55)**		**(25,582.21)**
C.	**CASH FLOW FROM FINANCING ACTIVITIES**				
	(Repayments) / Proceeds from Working Capital Facilities (Net)	(1,819.79)		1,637.40	
	Non Current Financial Liabilities - Security Deposits	26.18		(75.55)	
	Interest paid	(62.72)		(25.87)	
	Dividend	(6,701.41)		(6,179.34)	
	NET CASH FROM FINANCING ACTIVITIES		**(8,557.74)**		**(4,643.36)**
	NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		**12,084.74**		**(17,515.85)**
	CASH AND CASH EQUIVALENTS AS AT 31ST MARCH, 2022		**105.15**		**17,618.60**
	- Cash and cash Equivalents		93.57		167.47
	- Highly Liquid Investments		11.58		17,451.13
	Unrealised Gain / (Loss) on Foreign currency Cash & Cash equivalents		**0.06**		**(2.40)**
	CASH AND CASH EQUIVALENTS AS AT 31 March 2023		**12,189.83**		**105.15**
	- Cash and cash Equivalents		235.04		93.57
	- Highly Liquid Investments		11,954.79		11.58
	Note to Cash Flow Statement:				
	1. The above Cash Flow Statement has been prepared under the Indirect Method.				
	2. Reconciliation of Financing Liabilties				
			31.03.2023		**31.03.2022**
	Opening Balance		1,849.00		299.57
	Cash inflow /(outflow) of current borrowings		(1,819.79)		1,637.40
	Other changes		26.18		(75.55)
	Changes in unpaid dividend		(20.58)		-12.42
	Closing Balance		**34.81**		**1,849.00**
	3. Refer note 28(e) for amount spent during the years ended March 31, 2023 and 2022 on construction / acquisition of any asset and other purposes relating to CSR activities				

This is the Cash Flow statement referred to in our report of even date

For M.M.Nissim & Co LLP
Chartered Accountants
Firm Reg.No. 1107122W/W100672

N.Kashinath
Partner
Mem.No.036490
UDIN: 23036490BGXRXZ9965

Mumbai, Dated 19th May, 2023

For and on behalf of Board of Directors

Millind Wagh
Company Secretary

Vinod Saraf
Chairman
DIN: 00076708

Nand Kishor Goyal
Chief Financial Officer

Vinati Saraf Mutreja
Managing Director & CEO
DIN: 00079184

Standalone Statement Of Changes In Equity (SOCE)

for the year ended 31 March 2023

(₹ in Lakhs)

EQUITY SHARE CAPITAL	As at 31 March 2023 Number	As at 31 March 2022 Number	As at 31 March 2023 Amount	As at 31 March 2022 Amount
Authorised Share Capital	15,00,00,000	15,00,00,000	1,500.00	1,500.00
Issued Share Capital	10,27,82,050	10,27,82,050	1,027.82	1,027.82
Subscribed Share Capital	10,27,82,050	10,27,82,050	1,027.82	1,027.82
Fully Paid-up Share Capital	10,27,82,050	10,27,82,050	1,027.82	1,027.82
Balance at the beginning of the reporting year	**10,27,82,050**	**10,27,82,050**	**1,027.82**	**1,027.82**
Changes in equity share capital due to prior period errors	-		-	-
Restated balance as at the beginning of the reporting year	**10,27,82,050**	**10,27,82,050**	**1,027.82**	**1,027.82**
Changes in Equity Share Capital during the reporting year	-	-	-	-
Balance at the end of the reporting year	**10,27,82,050**	**10,27,82,050**	**1,027.82**	**1,027.82**

Rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital

The company has one class of equity shares having a par value of ₹ 1 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 assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Shares held by promoters at the end of the year	As at 31 March 2023		% Change during the year	As at 31 March 2022		% Change during the year
Promoter Name	No.	%		No.	%	
Vinod Saraf	1,39,00,582	13.52%	NIL	1,39,00,582	13.52%	NIL
Kavita Saraf	1,24,14,456	12.08%	NIL	1,24,14,456	12.08%	NIL
Suchir Chemicals Pvt. Ltd.	4,75,53,168	46.27%	NIL	4,75,53,168	46.27%	0.01%
Vinati Saraf Mutreja	12,10,620	1.18%	NIL	12,10,620	1.18%	NIL
Viral Saraf Mittal	10,42,366	1.01%	NIL	10,42,366	1.01%	NIL

Shares in the Company held by each shareholder holding more than five percent shares	As at 31 March 2023		As at 31 March 2022	
	No.	%	No.	%
Vinod Saraf	1,39,00,582	13.52%	1,39,00,582	13.52%
Kavita Saraf	1,24,14,456	12.08%	1,24,14,456	12.08%
Suchir Chemicals Pvt. Ltd.	4,75,53,168	46.27%	4,75,53,168	46.27%

Standalone Statement Of Changes In Equity (SOCE)

for the year ended 31 March 2023

OTHER EQUITY	Reserves and Surplus						TOTAL
	Securities Premium	General Reserve	Capital Reserve	Capital Redemption Reserve	Retained Earnings	Remeasurements of Defined Benefit Plans	
Restated balance as at 1st April 2021	**636.28**	**5,947.60**	**30.40**	**4.00**	**1,46,908.56**	**(213.26)**	**1,53,313.58**
Profit for the reporting year ending 31st March 2022					34,667.51		34,667.51
Other Comprehensive Income for the Current Reporting year ending 31 March 2022	-	-	-	-	-	(28.29)	(28.29)
Total Comprehensive Income for the Reporting year	-	-	-	-	34,667.51	(28.29)	34,639.22
Transactions with owners in their capacity as owners:							
Dividends;					(6,166.92)		(6,166.92)
Balance at the end of the reporting year ending 31st March 2022	**636.28**	**5,947.60**	**30.40**	**4.00**	**1,75,409.15**	**(241.55)**	**1,81,785.89**
Profit for the reporting year ending 31st March 2023					45,798.28		45,798.28
Other Comprehensive Income for the Current Reporting year ending 31 March 2023	-	-	-	-	-	(51.32)	(51.32)
Total Comprehensive Income for the Reporting year	-	-	-	-	45,798.28	(51.32)	45,746.96
Transactions with owners in their capacity as owners:							
Dividends;					(6,680.83)		(6,680.83)
Balance at the end of the reporting year ending 31st March 2023	**636.28**	**5,947.60**	**30.40**	**4.00**	**2,14,526.60**	**(292.87)**	**2,20,852.02**

Standalone Statement Of Changes In Equity (SOCE)

for the year ended 31 March 2023

Nature and Purpose of each component of equity	Nature and Purpose
i. Securities Premium	Amounts received in excess of par value on issue of shares is classified as Securities Premium
ii. General Reserve	General Reserve represents accumulated profits and is created by transfer of profits from Retained Earnings and it is not an item of Other Comprehensive Income and the same shall not be subsequently reclassified to Statement of Profit and Loss
iii. Capital Reserve	Capital Reserve represents special capital incentive of ₹ 30 Lakhs & ₹ 0.40 Lakhs of share forfeiture.
iv. Capital Redemption Reserve	Capital Redemtion Reserve is created against the buy back of shares by the Company as per statutory requirements
v. Retained Earnings	Retained Earnings are Profits that the company has earned till date less any transfers to General Reserves and Dividends.
vi. Remeasurements of Defined Benefit Plans	Gains/Losses arising on Remeasurements of Defined Plan at the end of each reporting period is separately disclosed under Reserves and Surplus and shall not be reclassified to the Statement of Profit or Loss in the Subsequent years.
Significant Accounting Policies	1

Accompanying Notes are an integral part of these Financial Statements

This is the Statement of Changes in Equity (SOCE) referred to in our report of even dat

For M M Nissim & Co LLP
Chartered Accountants
Firm Reg.No. 1107122W/W100672

N.Kashinath
Partner
Mem.No.036490

Mumbai, Dated 19th May, 2023
UDIN: 23036490BGXRXZ9965

For and on behalf of Board of Directors

Millind Wagh
Company Secretary

Vinod Saraf
Chairman
DIN: 00076708

Nand Kishor Goyal
Chief Financial Officer

Vinati Saraf Mutreja
Managing Director & CEO
DIN: 00079184

Notes to the Standalone Financial Statements

As at 31 March 2023

Note 1 : Significant Accounting Policies

A General Information

The Company was established in 1989 and is engaged in manufacturing of speciality chemicals. The manufacturing facilities are located at Mahad and Lote Parashuram, Maharashtra. The company is listed on Bombay Stock Exchange and National Stock Exchange. The registered office is located at B-12 & B-13/1, MIDC Indl. Area, Mahad - 402 309, Dist. Raigad, Maharashtra.

B Basis of preparation of Financial Statements

The principal accounting policies applied in the preparation of these financial statements are set out in Para C below. These policies have been consistently applied to all the years presented

i Statement of Compliance

These Separate financial statements (also known as Standalone Financial Statements) have been prepared in accordance with IND AS as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto.

ii Basis of preparation and presentation

The financial statements have been prepared on historical cost basis considering the applicable provisions of Companies Act 2013, except for the following material item that has been measured at fair value as required by relevant Ind AS. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

a) Certain financial assets/liabilities measured at fair value (Refer note C-20) and

b) Any other item as specifically stated in accounting policy.

The Financial Statement are presented in Indian Rupee ('INR') and all values are rounded to the Rupee in Lakhs, unless otherwise stated.

Whenever the company changes the presentation or classification of items in its financial statements materially, the company reclassifies comparative amounts, unless impracticable. No such material reclassification has been made during the year.

The financial statements of the Company for the year ended 31 March 2023 were authorised for issue in accordance with a resolution of the board of directors on 19th May, 2023

iii Major Sources of Estimation Uncertainty

In the application of accounting policy which are described in note (C) below, the management is required to make judgment, estimates and assumptions about the carrying amount of assets and liabilities, income and expenses, contingent liabilities and the accompanying disclosures that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant and are prudent and reasonable. Actual results may differ from those estimates. The estimates and underlying assumptions are reviewed on ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

The few critical estimations and judgments made in applying accounting policies are:

Property, Plant and Equipment:

Useful life of Property Plant and Equipment and Intangible Assets are as specified in Schedule II to the Companies Act, 2013 and on certain intangible assets based on technical advice which considered the nature of the asset, the usage of the asset and anticipated technological changes. The company reviews the useful life of Property, Plant and Equipment at the end of each reporting period. This reassessment may result in change in depreciation charge in future periods.

Impairment of Non-financial Assets:

For calculating the recoverable amount of non-financial assets, the company is required to estimate the value-in-use of the asset or the Cash Generating Unit and the fair value less costs to disposal. For calculating value in use the company is required to estimate the cash flows to be generated from using the asset. The fair value of an assets is estimated using a valuation technique where observable prices are not available. Further, the discount rate used for value in use calculations includes an estimate of risk assessment specific to the asset.

Impairment of Financial Assets:

The company impairs financial assets other than those measured at fair value through profit or loss or designated

Notes to the Standalone Financial Statements

As at 31 March 2023

at fair value through other comprehensive income on expected credit losses. The estimation of expected credit loss includes the estimation of probability of default (PD), loss given default (LGD) and the exposure at default (EAD). Estimation of probability of default apart from involving trend analysis of past delinquency rates include an estimation on forward-looking information relating to not only the counterparty but also relating to the industry and the economy as a whole. The probability of default is estimated for the entire life of the contract by estimating the cash flows that are likely to be received in default scenario. The lifetime PD is reduced to 12 month PD based on an assessment of past history of default cases in 12 months. Further, the loss given default is calculated based on an estimate of the value of the security recoverable as on the reporting date. The exposure at default is the amount outstanding at the balance sheet date.

Defined Benefit Plans:

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Fair Value Measurement of Financial Instruments: When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Income taxes

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

In assessing the realizability of deferred income tax assets, management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the company will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

C Summary of Significant Accounting Policies

1 Property, Plant and Equipment

The Company has elected to continue with the carrying value of Property, Plant and Equipment ('PPE') recognised as of transition date measured as per the Previous GAAP and use that carrying value as its deemed cost of the PPE.

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses except freehold land which is not depreciated. Cost includes purchase price (after deducting trade discount / rebate), import duties, non-refundable duties and taxes, cost of replacing the component parts, borrowing costs (as per Sl. no. 14 below) and other directly attributable cost to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, and the initial estimates of the cost of dismantling/removing the item and restoring the site on which it is located.

Spares parts procured along with the Plant and Equipment or subsequently individually which meets the recognition criteria of PPE are capitalized and added to the carrying amount of such items. The carrying amount of those spare parts that are replaced are derecognized when no future economic benefits are expected from their use or upon disposal. If the cost of the replaced part is not available, the estimated cost of similar new parts is used as an indication of what the cost of the existing part was when the item was acquired.

Notes to the Standalone Financial Statements

As at 31 March 2023

An item of PPE is derecognised on disposal or when no future economic benefits are expected from use. Any gain or loss arising on the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized in Statement of Profit and Loss when the asset is derecognised.

The depreciable amount of an asset is determined after deducting its residual value. Where the residual value of an asset increases to an amount equal to or greater than the asset's carrying amount, no depreciation charge is recognised till the asset's residual value decreases below the asset's carrying amount. Depreciation of an asset begins when it is available for use, i.e., when it is in the location and condition necessary for it to be capable of operating in the intended manner. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale in accordance with IND AS 105 and the date that the asset is derecognised.

Description of the Asset	Estimated Useful Life
Tangible:	
Building – Factory	30 Years
Other than factory buildings	60 Years
Plant and Equipment	5-20 Years
Furniture and Fixtures	10 Years
Computer Servers	6 Years
Computers	3 Years
Office Equipment	5 Years
Other Assets, viz., Air Conditioners	5 Years
Vehicles	8 Years

Depreciation on the property, plant and equipment, is provided over the useful life of assets based on management estimates which is in line with the useful life indicated in Schedule II to the Companies Act, 2013 except Plant and Machinery, Lab equipments and Electrical Installations which are depreciated based on management estimate of the useful life of the assets, and is after considering the nature of the asset, the usage of the asset, expected physical wear and tear, the operating conditions of the asset and anticipated technological changes. Depreciation on all assets is provided on straight line basis.

Depreciation on property plant and equipment added/ disposed off during the year is provided on pro rata basis with reference to the date of addition/disposal.

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

2 Research and Development Assets

The company undertakes Research and Development activities for development of new and improved products. All expenditure incurred during Research and Development are analysed into research phase and development phase. The company recognises all expenditure incurred during the research phase in the profit or loss whereas the expenditure incurred in development phase are presented as Capital Work in Progress till the time they are available for use in the manner intended at which moment they are treated as Property, Plant and Equipment and depreciated over their estimated useful life. Revenue expenditure on Research and Development is recognized as an expense in the period in which it is incurred.

3 Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. After initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Technical Know-how acquired separately is treated as intangible assets and amortised over a period of 10 years on straight-line method over the estimated useful economic life.

Software (not being an integral part of the related hardware) acquired for internal use are treated as intangible assets and is amortised over a period of 6 years on straight-line method over the estimated useful economic life.

An item of Intangible asset is derecognised on disposal or when no future economic benefits are expected from its use or disposal. Any profit or loss arising from derecognition 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.

4 Impairment of tangible (PPE) and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its PPE and other intangible assets to determine whether there is

Notes to the Standalone Financial Statements

As at 31 March 2023

any indication that these assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit (CGU) to which the asset belongs. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The resulting impairment loss is recognised in the Statement of Profit and Loss.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Where an impairment loss subsequently reverses, the carrying amount of the asset or CGU is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset or CGU in prior years. A reversal of an impairment loss is recognised in the Statement of Profit and Loss.

5 Inventories

Raw materials, components, stores and spares are valued at lower of cost and net realizable value. However materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials, components and stores and spares is determined on a first in first out (FIFO) method.

Work-in-progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity.

Goods and materials in transit include materials, duties and taxes (other than those subsequently recoverable from tax authorities) labour cost and other related overheads incurred in bringing the inventories to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

The amount of any write-down of inventories to NRV and all abnormal losses of inventories are recognized as expense in the Statement of Profit and Loss in the period in which such write-down or loss occurs. The amount of any reversal of the write-down of inventories arising from increase in the NRV is recognized as a reduction from the amount of inventories recognized as an expense in the period in which reversal occurs.

6 Lease

Where the Company is a Lessee -

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 recognizes 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 recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Lease liability is measured by discounting the lease payments using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rate.

Lease payments are allocated between principal and finance cost. The finance cost is charged to statement of profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

The ROU assets are initially recognised at cost, which comprises the initial amount of the lease liability

Notes to the Standalone Financial Statements

As at 31 March 2023

adjusted for any lease payment made at or prior to the commencement date of the lease plus any initial direct cost less any lease incentives and restoration cost. They are subsequently measured at cost less accumulated depreciation and inpaired losses, if any. ROU assets are depreciated on a straight line basis over the asset's useful life or the lease whichever is shorter. Impairment of ROU assets is in accordance with the Company's accounting policy for impairement of tangible and intangible assets.

Where the Company is a Lessor -

Lease income from operating leases where the Company is a lessor is recognised in the statement of profit and loss on a straight line basis over the lease term.

7 Government Grants

Grants and subsidies from the government are recognised when there is reasonable assurance that (i) the Company will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

Grants in the form of non-monetary assets are recognised at fair value and presented as deferred income which is recognized in the Statement of Profit and Loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset.

Government grants (grants related to income) are recognized as income over the periods necessary to match them with the costs for which they are intended to compensate on a systematic basis. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of providing immediate financial support with no future related costs are recognized in the Statement of Profit and Loss in the period in which they become receivable. Grants related to income are presented under other income in the Statement of Profit and Loss except for grants received in the form of rebate or exemption which are deducted in reporting the related expense.

Grant/subsidy receivable against against a specific Property, Plant and Equipment is deducted from the cost of the relevant Property, Plant and Equipment.

8 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when there is a present legal or constructive obligation as a result of a past event and it is probable (i.e. more likely than not) that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Such provisions are determined based on management estimate of the amount required to settle the obligation at the balance sheet date. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a standalone asset only when the reimbursement is virtually certain.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance costs.

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist when a contract under which the unavoidable costs of meeting the obligations exceed the economic benefits expected to be received from it.

Contingent liabilities are disclosed on the basis of judgment of management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

Contingent Assets are not recognized, however, disclosed in financial statement when inflow of economic benefits is probable.

9 Foreign Currency Transactions

The financial statements of Company are presented in INR, which is also the functional currency. In preparing the financial statements, transactions in currencies other than the entity's functional currency 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 translated at the rates prevailing at that date. Non-monetary items denominated in foreign currency are reported at the exchange rate ruling on the date of transaction.

10 Share capital and Securities Premium

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction net of tax from the proceeds. Par value of the equity share is recorded as share capital and the amount received in excess of the par value is classified as securities premium.

Notes to the Standalone Financial Statements

As at 31 March 2023

11 Dividend Distribution to equity shareholders

The Company recognizes a liability to make cash distributions to equity holders when the distribution is authorized and the distribution is no longer at the discretion of the Company. A distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in other equity along with any tax thereon.

12 Statement of Cash Flows and Cash and Cash Equivalents

Statement of cash flows is prepared in accordance with the indirect method prescribed in the relevant IND AS. For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, cheques and drafts on hand, deposits held with Banks, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and book overdrafts. However, Book overdrafts are to be shown within borrowings in current liabilities in the balance sheet for the purpose of presentation.

13 Revenue Recognition and Other Income

The company derives revenues primarily from sale of goods comprising of speciality chemicals.

The following is a summary of significant accounting policies related to revenue recognition:

Revenue from contract with customers is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services.

Revenue from the sale of goods is recognised at the point in time when control is transferred to the customer.

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 turnover/product/prompt payment discounts and schemes offered by the company as part of the contract with the customers. When the level of discount varies with increase in levels of revenue transactions, the Company recognises the liability based on its estimate of the customer's future purchases. The Company recognises changes in the estimated amounts of obligations for discounts in the period in which the change occurs. Revenue also excludes taxes collected from customers

Revenue in excess of invoicing are classified as contract assets while invoicing in excess of revenues are classified as contract liabilities.

Use of significant judgements in revenue recognition

- Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of consideration or variable consideration with elements such as turnover discounts. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period.

The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

Sale of scrap is accounted for as and when the sale is completed and its collection is reasonably certain.

Export incentives are recognised as income of the year on accrual basis. In case of utilisation for Import purpose the same is recognised as raw material cost in the year of import.

Dividend Income is accounted for when the right to receive the same is established, which is generally when shareholders approve the dividend.

Interest Income on financial assets measured at amortised cost is recognised on a time-proportion basis using the effective interest method.

Notes to the Standalone Financial Statements

As at 31 March 2023

14 Borrowing costs

Borrowing cost includes interest, commitment charges, brokerage, underwriting costs, discounts / premiums, financing charges, exchange difference to the extent they are regarded as interest costs and all ancillary / incidental costs incurred in connection with the arrangement of borrowing.

Borrowing costs which are directly attributable to acquisition / construction of qualifying assets that necessarily takes a substantial period of time to get ready for its intended use are capitalized as a part of cost pertaining to those assets. All other borrowing costs are recognised as expense in the period in which they are incurred.

The company identifies the borrowings into specific borrowings and general borrowings. Specific borrowings are borrowings that are specifically taken for the purpose of obtaining a qualifying asset. Borrowing cost incurred on specific borrowings are capitalised to the cost of the qualifying asset. For general borrowings, the company determines the amount of borrowing costs eligible for capitalisation by applying a capitalisation rate to the expenditures on the qualifying asset based on the weighted average of the borrowing costs applicable to general borrowings. The capitalisation on borrowing costs commences when the company incurs expenditure for the asset, incurs borrowing cost and undertakes activities that are necessary to prepare the asset for its intended use or sale. The capitalisation of borrowing costs is suspended during extended periods in which active development of a qualifying asset is suspended. The capitalisation of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

15 Employee Benefits

Short-term Employees Benefits

All employee benefits payable wholly within twelve months of rendering services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., are recognized during the period in which the employee renders related services and are measured at undiscounted amount expected to be paid when the liabilities are settled.

Post-employment benefits

The Company provides the following post-employment benefits:

i) Defined benefit plans such as gratuity and

ii) Defined Contribution plans such as provident fund & national pension scheme

Defined benefits plans

The cost of providing defined benefit plans such as gratuity is determined on the basis of present value of defined benefits obligation which is computed using the projected unit credit method with independent actuarial valuation made at the end of each annual reporting period, which recognizes each period of service as given rise to additional unit of employees benefit entitlement and measuring each unit separately to build up the final obligation.

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

Re-measurements comprising of actuarial gains and losses arising from experience adjustments and change in actuarial assumptions, the effect of change in assets ceiling (if applicable) and the return on plan asset (excluding net interest as defined above) are recognised in other comprehensive income (OCI) except those included in cost of assets as permitted in the period in which they occur. Re-measurements are not reclassified to the Statement of Profit and Loss in subsequent periods.

Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements) is recognised in the Statement of Profit and Loss except those included in cost of assets as permitted in the period in which they occur.

Defined Contribution Plans

Payments to defined contribution retirement benefit plans, viz., Provident Fund and National Pension Fund for eligible employees are recognized as an expense when employees have rendered the service entitling them to the contribution.

Notes to the Standalone Financial Statements

As at 31 March 2023

16 Income Taxes

Income tax expense represents the sum of tax currently payable and deferred tax. Tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

Current tax

Current tax is the expected tax payable/ receivable on the taxable income/ loss for the year using applicable tax rates for the relevant period, and any adjustment to taxes in respect of previous years. Interest expenses and penalties, if any, related to income tax are included in finance cost and other expenses respectively. Interest Income, if any, related to Income tax is included in Other Income

Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the balance sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences, unabsorbed losses and unabsorbed depreciation to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, unabsorbed losses and unabsorbed depreciation can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

17 Earnings per Share

Basic earnings per share is calculated by dividing the profit from continuing operations and total profit, both attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year.

18 Current versus non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current/non-current classification.

a) An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in the normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

b) A liability is current when:

- It is expected to be settled in the normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

Notes to the Standalone Financial Statements

As at 31 March 2023

All other liabilities are classified as non-current.

c) Deferred tax assets and liabilities are classified as non-current assets and liabilities.

d) The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents.

19 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of asset and liability if market participants would take those into consideration. Fair value for measurement and / or disclosure purposes in these Financial Statements is determined on such basis except for transactions in the scope of Ind AS 2, 17 and 36. Normally at initial recognition, the transaction price is the best evidence of fair value.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques those are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All financial assets and financial liabilities for which fair value is measured or disclosed in the Financial Statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Financial assets and financial liabilities that are recognized at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period.

20 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The Company recognizes a financial asset or financial liability in its balance sheet only when the entity becomes party to the contractual provisions of the instrument.

a) Financial Assets

A financial asset inter-alia includes any asset that is cash, equity instrument of another entity or contractual obligation to receive cash or another financial asset or to exchange financial asset or financial liability under condition that are potentially favourable to the Company.

Financial assets of the Company comprise trade receivable, cash and cash equivalents, Bank balances, Investments in equity shares of companies, investment other than equity shares, loans to employee / others, security deposit etc.

Initial recognition and measurement

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, transaction costs that are attributable to the acquisition of the financial asset. However, Trade receivables that do not contain a significant financing component are measured at Transaction Price. Transaction costs of financial assets carried at fair value through profit or loss are expensed in Statement of Profit and Loss. Where transaction price is not the measure of fair value and fair value is determined using a valuation method

Notes to the Standalone Financial Statements

As at 31 March 2023

that uses data from observable market, the difference between transaction price and fair value is recognised in Statement of Profit and Loss on the date of recognition if the fair value pertains to Level 1 or Level 2 of the fair value hierarchy and in other cases spread over life of the financial instrument using effective interest method.

The Company measures the trade receivables at their transaction price, if the trade receivables do not contain a significant financing component.

Subsequent measurement

For purposes of subsequent measurement financial assets are classified in three categories:

- Financial assets measured at amortized cost
- Financial assets at fair value through OCI
- Financial assets at fair value through profit or loss

Financial assets measured at amortized cost

Financial assets are measured at amortized cost if the financials asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These financials assets are amortized using the effective interest rate ('EIR') method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognized in the Statement of Profit and Loss .

Financial assets at fair value through OCI ('FVTOCI')

Financial assets are measured at fair value through other comprehensive income if the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. At initial recognition, an irrevocable election is made (on an instrument-by-instrument basis) to designate investments in equity instruments other than held for trading purpose at FVTOCI. Fair value changes are recognized in the other comprehensive income ('OCI'). However, the Company recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the financial asset other than equity instruments designated as FVTOCI, cumulative gain or loss previously recognised in OCI is reclassified to the Statement of Profit and Loss.

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

Any financial asset that does not meet the criteria for classification as at amortized cost or as financial assets at fair value through other comprehensive income is classified as financial assets at fair value through profit or loss. Further, financial assets at fair value through profit or loss also include financial assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets at fair value through profit or loss are fair valued at each reporting date with all the changes recognized in the Statement of Profit and Loss.

Derecognition

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the financial asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay.

Impairment of financial assets

The Company assesses impairment based on expected credit loss ('ECL') model on the following:

- Financial assets that are measured at amortised cost; and

Notes to the Standalone Financial Statements

As at 31 March 2023

- Financial assets measured at FVTOCI.

ECL is measured through a loss allowance on a following basis:-

- The 12 month expected credit losses (expected credit losses that result from those default events on the financial instruments that are possible within 12 months after the reporting date)
- Full life time expected credit losses (expected credit losses that result from all possible default events over the life of financial instruments)

The Company follows 'simplified approach' for recognition of impairment on trade receivables or contract assets resulting from normal business transactions. The application of simplified approach does not require the Company to track changes in credit risk. However, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, from the date of initial recognition.

For recognition of impairment loss on other financial assets, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has increased significantly, lifetime ECL is provided. For assessing increase in credit risk and impairment loss, the Company assesses the credit risk characteristics on instrument-by-instrument basis.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all cash shortfalls) discounted at the original EIR.

Impairment loss allowance (or reversal) recognized during the period is recognized as expense/income in the Statement of Profit and Loss.

b) Financial Liabilities

The Company's financial liabilities include loans and borrowings including bank overdraft, trade payable, accrued expenses and other payables etc.

Initial recognition and measurement

All financial liabilities at initial recognition are classified as financial liabilities at amortized cost or financial liabilities at fair value through profit or loss, as appropriate. All financial liabilities classified at amortized cost are recognized initially at fair value net of directly attributable transaction costs. Any difference between the proceeds (net of transaction costs) and the fair value at initial recognition is recognised in the Statement of Profit and Loss or in the CWIP, if another standard permits inclusion of such cost in the carrying amount of an asset over the period of the borrowings using the Effective interest rate ('EIR') method.

Subsequent measurement

The subsequent measurement of financial liabilities depends upon the classification as described below:-

Financial Liabilities classified as Amortised Cost

Financial Liabilities that are not held for trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. Interest expense that is not capitalized as part of costs of assets is included as Finance costs in the Statement of Profit and Loss.

Financial Liabilities classified as Fair value through profit and loss (FVTPL)

Financial liabilities classified as FVTPL includes financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Financial liabilities designated upon initial recognition at FVTPL only if the criteria in Ind AS 109 is satisfied.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged / cancelled / expired. 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

Notes to the Standalone Financial Statements

As at 31 March 2023

recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

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.

Derivatives

Derivative instruments are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged and the type of hedge relationship designated. The resulting gain or loss is recognised in the Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument and is recognised in Other Comprehensive Income (OCI).

D Ministry of Corporate Affairs (MCA) vide notification dated 24th March 2021, has amended Schedule III to the Companies Act, 2013 to enhance the disclosure requirements in financial statements. The financial statements have been prepared after incorporating the amendments to the extent they are applicable

E Recent accounting pronouncements

The Ministry of Corporate Affairs (MCA) on 31st March 2023 through Companies (Indian Accounting Standards) Amendment Rules, 2023 has notified the following amendments to IND AS which are applicable for the annual periods beginning on or after 1st April, 2023

IND AS 1 – Presentation of Financial Statements

This amendment requires the Company to disclose its material accounting policies rather than their significant accounting policies. The Company will carry out a detailed review of accounting policies to determine material accounting policy information to be disclosed going forward. The Company does not expect this amendment to have any material impact in its financial statements

IND AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

This amendment has changed the definition of a "change in accounting estimates" to a definition of "accounting estimates". The amendment clarifies how companies should distinguish changes in accounting policies from changes in accounting estimates. The Company does not expect this amendment to have any material impact in its financial statements

IND AS 12 – Income Taxes

This amendment has done away with the recognition exemption on initial recognition of assets and liabilities that give rise to equal and offsetting temporary differences. The Company does not expect this amendment to have any material impact in its financial statements

Notes to the Standalone Financial Statements

As at 31 March 2023

Note 2 (a) Property, Plant and Equipment

(₹ in Lakhs)

	Freehold Land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Computers	Air Conditioners	Total
Gross Block									
At cost as at 31 March 2021	**113.71**	**24,108.01**	**64,826.22**	**501.16**	**245.69**	**39.30**	**61.18**	**56.32**	**89,951.59**
Additions	326.99	1,593.44	14,072.24	8.58	71.00	0.85	36.32	2.91	16,112.33
Disposals /adjustments			-0.33	-	-31.25	-	-	-0.31	-31.89
At cost as at 31 March 2022	440.70	25,701.45	78,898.13	509.74	285.44	40.15	97.50	58.92	1,06,032.03
Additions	193.61	1,113.35	4,610.17	38.60	49.32	1.25	40.55	14.35	6,061.19
Disposals /adjustments			(0.06)	(2.64)	(4.69)	-	(0.10)	-	-7.48
At cost as at 31 March 2023	634.31	26,814.80	83,508.25	545.70	330.07	41.40	137.96	73.27	1,12,085.74
Depreciation Block									
Accumulated depreciation / amortisation as at 31 March 2021	**-**	**2,665.21**	**11,215.80**	**256.28**	**139.18**	**28.59**	**43.12**	**37.92**	**14,386.10**
Depreciation / Amortisation for the year		723.86	3,648.17	51.80	26.45	3.04	9.15	4.97	4,467.44
Disposals /adjustments		-			-15.04				-15.04
Accumulated depreciation / amortisation as at 31 March 2022	**-**	**3,389.07**	**14,863.97**	**308.08**	**150.62**	**31.63**	**52.27**	**42.89**	**18,838.50**
Depreciation / Amortisation for the year		783.75	4,255.44	49.68	30.30	1.93	18.32	4.89	5,144.33
Disposals /adjustments		-		(2.31)	(3.52)				-5.84
Accumulated depreciation / Amortisation as at the 31 March 2023	**-**	**4,172.82**	**19,119.41**	**355.45**	**177.40**	**33.56**	**70.59**	**47.78**	**23,976.99**
Net Block									
As at 31 March 2021	**113.71**	**21,442.80**	**53,610.42**	**244.88**	**106.51**	**10.71**	**18.06**	**18.40**	**75,565.49**
As at 31 March 2022	**440.70**	**22,312.38**	**64,034.16**	**201.66**	**134.82**	**8.52**	**45.23**	**16.03**	**87,193.53**
As at 31 March 2023	**634.31**	**22,641.98**	**64,388.84**	**190.24**	**152.67**	**7.83**	**67.36**	**25.48**	**88,108.75**

Notes to the Standalone Financial Statements

As at 31 March 2023

Note 2 (b). Capital Work-in-Progress

(₹ in Lakhs)

Particulars	Buildings	Plant and equipment	Total
At cost as at 31 March 2020	**221.75**	**2,875.32**	**3,097.07**
Additions	742.40	5,701.02	6,443.42
Capitalised during the year	(742.45)	(3,329.01)	(4,071.46)
At cost as at 31 March 2021	**221.70**	**5,247.33**	**5,469.03**
Additions	3172.29	11,697.02	14,869.31
Capitalised during the year	(1,593.44)	(14,016.05)	(15,609.49)
At cost as at 31 March 2022	**1,800.55**	**2,928.30**	**4,728.85**
Additions	16,003.06	7,233.97	23,237.03
Project expenses w/off	-	(224.94)	-224.94
Capitalised during the year	(1,113.35)	(4,508.36)	(5,621.71)
At cost as at 31 March 2023	**16,690.27**	**5,428.96**	**22,119.23**

Note 2 (c) Intangibles

(₹ in Lakhs)

	Computer Software	Technical Know How	Total
Gross Block			
At cost as at 31 March 2021	**123.70**	**453.50**	**577.20**
Additions	36.41	50.00	86.41
Disposals /adjustments	-	-	-
At cost as at 31 March 2022	160.11	503.50	663.61
Additions	15.89	-	15.89
Disposals /adjustments	-	-	-
At cost as at 31 March 2023	176.00	503.50	679.50
Depreciation Block			
Accumulated depreciation / amortisation as at 31 March 2021	**105.91**	**353.31**	**459.22**
Depreciation / Amortisation for the year	8.58	72.61	81.19
Disposals /adjustments	-	-	-
Accumulated depreciation / amortisation as at 31 March 2022	**114.49**	**425.92**	**540.41**
Depreciation / Amortisation for the year	13.58	36.01	49.59
Disposals /adjustments	-	-	-
Accumulated depreciation / Amortisation as at the 31 March 2023	**128.07**	**461.93**	**590.00**
Net Block			
As at 31 March 2021	**17.79**	**100.19**	**117.98**
As at 31 March 2022	**45.62**	**77.58**	**123.20**
As at 31 March 2023	**47.93**	**41.57**	**89.50**

Notes:

i. Title deeds of Freehold Land are held in the name of the Company. Title deeds in respect of Buildings on immovable properties which are constructed on company's Freehold/Leasehold Land is based on documents consituting evidence of legal ownership of the Buildings.

ii. During the year, the company has capitalised the following expenses of revenue nature to the cost of Property, Plant and Equipment/Capital Work-In-Progress;

Notes to the Standalone Financial Statements

As at 31 March 2023

(₹ in Lakhs)

Particulars	31-Mar-23	31-Mar-22
Engineering Fees	972.90	672.15
Legal and Professional Charges	39.02	40.34
Travelling Expenses	4.08	0.83
Rates & Taxes	30.93	34.35
Insurance Charges	6.80	7.71
	1,053.73	**755.38**

CWIP aging schedule

As at 31 March 2023

(₹ in Lakhs)

CWIP	Amount in CWIP for a period of					
	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	Total
Projects in progress	12,347.86	6,211.95	2,808.00	701.21	50.20	22,119.23
Projects temporarily suspended						-
Total	**12,347.86**	**6,211.95**	**2,808.00**	**701.21**	**50.20**	**22,119.23**

CWIP aging schedule

As at 31 March 2022

(₹ in Lakhs)

OTHER EQUITY	Reserves and Surplus					
	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	Total
Projects in progress	2,827.51	727.18	869.86	73.36	6.00	4,503.91
Projects temporarily suspended					224.94	224.94
Total	**2,827.51**	**727.18**	**869.86**	**73.36**	**230.94**	**4,728.85**

Note:

There were no material projects which have exceeded their original planned cost and timelines.

Notes to the Standalone Financial Statements

As at 31 March 2023

Note 3 Investments

(₹ in Lakhs)

	Non Current		Current	
	As at 31 March 2023	As at 31 March, 2022	As at 31 March 2023	As at 31 March, 2022
Fully paid up - Unquoted - Trade				
Subsidiary Company: (At Cost)				
2,81,86,400 (P.Y. 42,70,000) Shares of Veeral Orgaincs Private Limited of ₹ 10 each fully paid up	2,818.64	427.00		-
Investment Infrastructure Trust (at fair value through Profit or Loss), Quoted - Non Trade				
10,82,400(P.Y. 10,82,400) Units of Power Grid Infrastucture Investment Trust Limited of Face Value of ₹ 100 each fully paid up	1,327.24	1,454.53		
3,72,519(P.Y. 3,72,519) Units of India Grid Infrastucture Investment Trust of Face Value of ₹ 100 each fully paid up	499.21	550.02		
Fully paid up - Quoted - Non Trade				
i) In Exchange Traded Funds (at fair value through Profit or Loss)	-	1,432.22		
ii) In Non Convertible Debentures: (at fair value through Profit or Loss)	-	1,074.18	-	
iii) In Non Convertible Debentures: (at Amortised Cost)			7,443.92	
Fully paid up - Unquoted - Non Trade				
i) In Mutual Fund Units: (at fair value through Profit or Loss)				
Income Plan: Growth Option	-	4,328.98	11,954.79	11.58
ii) In Alternate Investment Funds (at fair value through Profit or Loss)	1,509.13	509.77		-
Total	**6,154.22**	**9,776.70**	**19,398.71**	**11.58**
Aggregate amount of quoted investment and net asset value	3,335.58	9,349.70	11,954.79	11.58
Aggregate amount of unquoted investment	2,818.64	427.00	7,443.92	-

Note 4 Loans (Unsecured, considered good)

(₹ in Lakhs)

	Non Current		Current	
	As at 31 March 2023	As at 31 March, 2022	As at 31 March 2023	As at 31 March, 2022
Carried at Amortised cost :				
Loans to related parties (Refer Note 28(f)&(m))	32,853.90	25,234.40		
Loans and Advances to employees			0.18	28.68
Total	**32,853.90**	**25,234.40**	**0.18**	**28.68**

Notes to the Standalone Financial Statements

As at 31 March 2023

Note 5 Other Financial Assets

(₹ in Lakhs)

	Non Current		Current	
	As at 31 March 2023	As at 31 March, 2022	As at 31 March 2023	As at 31 March, 2022
Carried at Amortised cost :				
Share Application Money Pending Allotment in a Subsidiary	-	425.00		
Bank deposits with more than 12 months maturity (excludes Interest accrued and due ₹ Nil, Previous year ₹ Nil)	85.52	142.41	-	-
Others;				
Security Deposits	72.73	66.31	-	-
Interest Accrued on Loans and Deposits	-	-	2,966.88	1,160.33
Interest Accrued but not due on Investmant			58.25	-
Export Benefits receivables	-	-	123.98	367.48
Others	-	-	26.07	1,213.22
Total	**158.25**	**633.72**	**3,175.18**	**2,741.03**

Note 6 Other Assets

(₹ in Lakhs)

	Non Current		Current	
	As at 31 March 2023	As at 31 March, 2022	As at 31 March 2023	As at 31 March, 2022
Capital Advances	5,220.35	2,654.64		
Advances other than capital advances;				
Security Deposits	-	-	776.93	869.86
Advances to suppliers			2,883.56	3,326.23
Sub Total	**5,220.35**	**2,654.64**	**3,660.49**	**4,196.09**
Others				
Balance with Statutory authorities			4,482.66	4,554.26
Advances recoverable in cash or kind			12.73	297.08
Prepaid Expenses	1,066.69	1,067.18	100.02	108.26
Sub Total	**1,066.69**	**1,067.18**	**4,595.41**	**4,959.60**
Total	**6,287.04**	**3,721.82**	**8,255.90**	**9,155.69**

Note 7 Inventories

(₹ in Lakhs)

	As at 31 March 2023	As at 31 March, 2022
(Valued at lower of Cost and Net Realisable Value)		
Raw Materials	3,531.18	2,447.37
Raw Materials in transit	3,313.93	3,850.60
Work-in-progress	2,184.84	3,015.09
Finished goods	3,784.29	2,446.43
Stores and spares	6,280.60	5,856.39
Total	**19,094.84**	**17,615.88**

Notes to the Standalone Financial Statements

As at 31 March 2023

Note	As at 31 March 2023	As at 31 March, 2022
1. The amount of write-down of inventories to net realizable value recognized as an expense	9.41	-
2. The cost of inventories recognised as an expense during the year	1,14,651.24	90,846.55

Note 8 Trade Receivables

(₹ in Lakhs)

Particulars	As at 31 March 2023	As at 31 March, 2022
Trade receivables		
Secured, Considered good	6,673.68	3,195.28
Unsecured Considered good	40,284.51	42,642.83
Trade Receivables - credit impaired	79.03	110.43
Less: Allowance for bad and doubtful debts	-79.03	-110.43
Total	**46,958.19**	**45,838.11**

Note: The Company has used a practical expedient for computing expected credit loss allowance for trade receivables, taking into account historical credit loss experience and accordingly, provisions are made for expected credit loss for amounts due from customers where necessary.

Trade Receivables ageing schedule

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment						As at 31 March 2023
	Not Due	Less than 6 months	6 months -1 year	1-2 Years	2-3 Years	More than 3 Years	
Undisputed Trade receivables — considered good	34,341.95	12597.38	1.97	16.89			46,958.19
Disputed Trade Receivables — credit impaired				21.55	48.96	8.52	79.03

Trade Receivables ageing schedule

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment						As at 31 March 2022
	Not Due	Less than 6 months	6 months -1 year	1-2 Years	2-3 Years	More than 3 Years	
Undisputed Trade receivables — considered good	31,943.68	13,820.79	7.65	64.23	1.77	-	45,838.11
Disputed Trade Receivables — credit impaired			14.13	87.78	-	8.52	110.43

Notes to the Standalone Financial Statements

As at 31 March 2023

Note 9 CASH AND CASH EQUIVALENTS (as per Cash Flow Statement)

(₹ in Lakhs)

Particulars	As at 31 March 2023	As at 31 March, 2022
Balances with Banks		
'- In Current accounts	233.26	92.33
Cash on hand	1.78	1.24
Total	**235.04**	**93.57**

Note 10 Bank Balances other than Cash and Cash Equivalents

(₹ in Lakhs)

Particulars	As at 31 March 2023	As at 31 March, 2022
Deposits with original maturity of more than 3 months but less then 12 months	167.66	104.88
Others:		
Unspent CSR Account	234.42	18.08
Unclaimed Dividend Account	190.94	211.52
Total	**593.02**	**334.48**

Note 11 Other Financial Liabilities

(₹ in Lakhs)

	Non Current		Current	
	As at 31 March 2023	As at 31 March, 2022	As at 31 March 2023	As at 31 March, 2022
Unclaimed dividends			190.94	211.52
Carried at Amortised Cost :				
Others :				
Retention Money	598.94	399.75	138.14	147.37
Security Deposit	72.43	46.25		
Liabilities for expenses			477.00	382.80
Total	**671.37**	**446.00**	**806.08**	**741.69**

Note 12 Deferred Tax Liabilities - (Net)

(₹ in Lakhs)

Particulars	As at 31 March 2023	As at 31 March, 2022
Deferred Tax Liabilities		
- Arising on account of difference in carrying amount and tax base of PPE and Intangibles	10,232.08	8,920.66
- Unrealised gain/(loss) on FVTPL debt Mutual Funds and equity instruments	71.57	170.18
Deferred Tax Asset:		
- Accrued Expenses allowable on Actual Payments	(95.73)	(88.65)
Total	**10,207.92**	**9,002.19**

Notes to the Standalone Financial Statements

As at 31 March 2023

Note 13 Short Term Borrowings

(₹ in Lakhs)

Particulars	As at 31 March 2023	As at 31 March, 2022
Secured (At amortised cost)		
Loans repayable on demand		
- from banks	20.10	1,839.89
Total	**20.10**	**1,839.89**

A. Nature of Borrowings

Working Capital Advances from Banks	Interest rate
Loans repayable on demand is secured by hypothecation of inventories, all the present and future book debts and other receivables, first charge on all present and future Property, Plant And Equipment at Mahad Works and residential buidling at Mahad and second charge on all property,plant And equipment situated at Lote Works.	Rupee Loan carries interest ranging from 8.00% to 9.25% (Previous Year 5.00% to8.55% .)

B. The Quarterly returns/statements of current assets filed by the Company for the year ended 31st March, 2023 with the State Bank of India/Citi Bank/HDFC Bank are in agreement with the books of accounts

C. The Quarterly returns/statements of current assets filed by the Company for the year ended 31st March, 2022 with the State Bank of India/Citi Bank/HDFC Bank are in agreement with the books of accounts are in agreement with the books of accounts except for the following;

(₹ in Lakhs)

Particulars	Jun-21	Sep-21	Dec-21
Current Assets as per Statement filed with Bank	**45,759.84**	**45,086.40**	**46,616.99**
Add: Reconciliation of Items not considered in the Statement filed with the bank			
Slow Moving Stock	1,777.25	2,062.62	2,533.12
Stock at different location	103.13	132.78	239.60
Raw Material in Transit	-	3,073.99	6,202.66
Valuation Difference	444.77	2,085.85	594.90
Balance as per Financial Statements	**48,084.99**	**52,441.64**	**56,187.27**

* The Company has subsequently revised the statements filed with the Bank.

Note 14 Trade Payables

(₹ in Lakhs)

Particulars	As at 31 March 2023	As at 31 March, 2022
Outstanding due of Micro and Small Enterprises	146.13	480.56
Outstanding due of Creditors other than Micro and Small Enterprises	11,647.46	10,458.72
Total	**11,793.59**	**10,939.28**
Of the above;		
- Acceptances	660.46	317.42

Notes to the Standalone Financial Statements

As at 31 March 2023

Disclosures under The Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED'):

The details of liabilities to Micro and Small Enterprises, to the extent information available with the Company are given under and have been relied upon by the auditors:

(₹ in Lakhs)

	As at 31 March 2023	As at 31 March, 2022
Principal amounts remaining unpaid to suppliers as at the end of the accounting year	146.13	480.56

Note: Other information/ disclosures relating to payments made beyond appointed date, interest accrued And paid and cumulative intrest are not applicable, being NIL.

Trade Payables aging schedule

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment		As at 31 March 2023
	Not due	Less than 1 year	
i) MSME	97.84	48.29	146.13
(ii) Others	7,024.37	4,623.09	11,647.46
Total	7,122.21	4,671.38	**11,793.59**

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment		As at 31 March 2023
	Not due	Less than 1 year	
i) MSME	247.47	233.09	480.56
(ii) Others	3,065.73	7,392.99	10,458.72
Total	3,313.20	7,626.08	**10,939.28**

Note 15 Other Current Liabilities

(₹ in Lakhs)

	As at 31 March 2023	As at 31 March, 2022
Contract Liabilities	301.11	82.60
Others;		
Security Deposit	3,323.89	-
Statutory Dues	525.46	422.74
Liabilities for expenses	1,198.48	1,565.75
Others	2,528.70	530.27
Total	**7,877.64**	**2,601.36**

Notes to the Standalone Financial Statements

As at 31 March 2023

During the year ended 31 March 2023, the Company recognised revenue of ₹ 82.60 Lakhs (Previous year ₹ 47.73 Lakhs) arising from opening unearned revenue (contract liabilities).

Movement of contract liabilities is as under ;

(₹ in Lakhs)

	As at 31 March 2023	As at 31 March, 2022
As at beginning of the year	82.60	47.73
Recognised as revenue from contracts with customers	(13,912.48)	(10,324.81)
Advance from customers received during the year	14,130.99	10,359.68
Balance at the close of the year	**301.11**	**82.60**

Note 16 Provisions

(₹ in Lakhs)

	As at 31 March 2023	As at 31 March, 2022
Provision for employee benefits (Refer Note 28(g)		
- Gratuity	129.14	184.35
-Leave Encashment	377.19	352.23
Total	**506.33**	**536.58**

Note 17 Provisions

(₹ in Lakhs)

	Year Ended 31 March 2023	Year Ended 31 March, 2022
Sale Of Products	2,07,703.84	1,61,263.31
Other Operating Revenues:		
Export Incentives	665.33	118.91
Scrap Sales	101.38	168.96
Total	**2,08,470.55**	**1,61,551.18**

The management determines that the segment information reported is sufficient to meet the disclosure objective with respect to disaggregation of revenue under Ind AS 115 Revenue from contract with Customers. Hence, no seperate disclosures of disaggregated revenues are reported. (Refer Note 28(c))

Reconciliation of revenue recognised with the contracted price is as follows:

(₹ in Lakhs)

	Year Ended 31 March 2023	Year Ended 31 March, 2022
Gross Sales (Contracted Price)	2,19,696.60	1,74,579.91
Reductions towards variable consideration (Turnover discount, Other Expenses)	(11,992.76)	(13,316.60)
Revenue recognised	**2,07,703.84**	**1,61,263.31**

Notes to the Standalone Financial Statements

As at 31 March 2023

Note 18 Other Income

(₹ in Lakhs)

	Year Ended 31 March 2023	Year Ended 31 March, 2022
Interest Income	2,219.77	1,371.43
Dividend Income from Non Current Investment	36.58	31.44
Net gain on sale of Investments classified as FVTPL	555.09	695.24
Net gains/(losses) on fair value changes on financial assets classified as FVTPL	-	1,072.31
Gain on Foreign Exchange Translations	3,804.16	2,744.05
Other Non-Operating Income;		
Miscellaneous Income	627.12	181.77
Total	**7,242.72**	**6,096.24**

Net gains (losses) on fair value changes

(₹ in Lakhs)

	Year Ended 31 March 2023	Year Ended 31 March, 2022
Debt Mutual Fund Investments designated at FVTPL	133.80	0.01
Debt Investments designated at FVTPL	-	690.40
Other Financial Instruments classified at FVTPL	(233.68)	381.90
Total Net gains (Losses) on fair value changes	**(99.88)**	**1,072.31**

Note 19 Cost of Materials consumed

(₹ in Lakhs)

	Year Ended 31 March 2023	Year Ended 31 March, 2022
Opening Stock of Raw Materials	6,297.97	3,244.37
Purchases during the year	1,09,403.35	88,585.63
Closing Stock of Raw Materials	(6,845.11)	(6,297.97)
Total	**1,08,856.21**	**85,532.03**

Note 20 Changes In Inventories Of Finished Goods And Work-In-Progress

(₹ in Lakhs)

	Year Ended 31 March 2023	Year Ended 31 March, 2022
Closing Stock:		
Finished Goods	3,784.29	2,446.43
Work-in-Progress	2,184.84	3,015.09
	5,969.13	**5,461.52**
Less: Opening Stock:		
Finished Goods	2,446.43	3,466.55
Work-in-Progress	3,015.09	1,953.99
	5,461.52	**5,420.54**
Total	**(507.61)**	**(40.98)**

Notes to the Standalone Financial Statements

As at 31 March 2023

Note 21 Employee Benefits Expense

(₹ in Lakhs)

	Year Ended 31 March 2023	Year Ended 31 March, 2022
Salaries and Wages	8,263.37	7,453.37
Contribution to provident, gratuity and other funds	768.24	679.80
Staff welfare expenses	290.47	265.37
Total	**9,322.08**	**8,398.54**

Note 22 Finance Costs

(₹ in Lakhs)

	Year Ended 31 March 2023	Year Ended 31 March, 2022
Interest		
On Working Capital Facilities	6.66	10.18
On Bill Discounting Facilities	43.15	15.50
On Others	12.91	0.19
Total	**62.72**	**25.87**

Note 23 Depreciation and Amortisation expense

(₹ in Lakhs)

	Year Ended 31 March 2023	Year Ended 31 March, 2022
Depreciation on Property, Plant And Equipment	5,144.33	4,467.44
Amortisation on Intangible Assets	49.59	81.19
	5,193.92	**4,548.63**

Note 24 Other Expenses

(₹ in Lakhs)

	Year Ended 31 March 2023	Year Ended 31 March, 2022
Stores and Spares Consumed	6,302.64	5,355.50
Power and Fuel	15,761.37	11,745.49
Processing Expenses	2,542.09	2,274.94
Rent	46.16	16.89
Rates and Taxes	142.17	113.58
Insurance	727.23	414.96
Printing and Stationery	44.22	30.35
Water Charges	276.88	280.48
Repairs and Renewals:		
Buildings	538.03	141.82
Plant and Machinery	1,032.28	684.75
Other Assets	291.47	89.92
Travelling and Conveyance	294.61	283.73
Communication Expenses	28.44	24.33
Corporate Social Responsibility Expenses (Refer Note 28(e)	806.03	790.20

Notes to the Standalone Financial Statements

As at 31 March 2023

(₹ in Lakhs)

	Year Ended 31 March 2023	Year Ended 31 March, 2022
VAT/GST Paid	650.00	
Provision for Doubtful Debts	-	110.43
Vehicle Expenses	68.11	58.73
Auditors' Remuneration:		
As Auditors:		
Audit fee	9.50	8.50
Other Services	2.00	2.00
	11.50	**10.50**
Cost Auditors Remuneration:		
Audit fee	0.60	0.60
Directors' Fees	12.25	16.25
Directors' Travelling Expenses	28.23	0.60
Security Expenses	218.48	205.56
Project expenses w/off	224.94	
Net losses on fair value changes on financial assets classified as FVTPL	99.88	-
Commission	265.03	189.69
Bank Charges	107.05	139.35
Miscellaneous Expenses	737.20	692.79
Total	**31,256.89**	**23,671.44**

Note 25

A. Capital Management

For the purpose of Company's Capital Management, capital includes Issued Equity Capital, Securities Premium, and all other Equity Reserves attributable to the Equity Holders of the Company. The primary objective of the Company's Capital Management is to maximise the Share Holder Value.

As at 31 March 2023, the Company has only one class of equity shares and has no long term debt. Consequent to such capital structure, there are no externally imposed capital requirements. The Company allocates its capital for distribution as dividend or re-investment into business based on its long term financial plans.

B. Financial Risk Management

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the operations of the Company. The principal financial assets include trade and other receivables, investments in mutual funds/equity shares & debt instruments and cash and short term deposits.

The Company has assessed market risk, credit risk and liquidity risk to its financial liabilities.

i) Market Risk

Market Risk is the risk of loss of future earnings, fair values or cash flows that may result from a change in the price of a financial instrument, as a result of interest rates, foreign exchange rates and other price risks. Financial instruments affected by market risks, primarily include loans and borrowings, investments and foreign currency receivables, payables and borrowings.

Notes to the Standalone Financial Statements

As at 31 March 2023

Interest Rate Risks

The Company borrows funds in Indian Rupees to meet short term funding requirements. Interest on Short term borrowings is subject to floating interest rate and are repriced regularly. The sensitivity analysis detailed below have been determined based on the exposure to variable interest rates on the outstanding amounts due to bankers over a year.

If the interest rates had been 1% higher / lower and all other variables held constant, the company's profit for the year ended 31 March 2023 would have been decreased/increased by ₹ 0.20 Lakhs. (PY 2021-22 : ₹ 18.40 Lakhs)

Foreign Currency Risks

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate due to changes in foreign exchange rates. The Company is exposed to foreign exchange risk arising from foreign currency transactions. Foreign exchange risk arises from future commercial transactions and recognised financial assets and liabilities denominated in a currency that is not its functional currency. The exposure to foreign currency risk of the Company at the end of the reporting period expressed is as follows:

Unhedged Short Term Exposures :		Amount (In Million)		(₹ in Lakhs)	
		As at 31 March 2023	As at 31 March, 2022	As at 31 March 2023	As at 31 March, 2022
Financial Assets	USD	28.06	33.75	22,989.46	25,551.52
	EURO	0.85	1.43	761.12	1,206.37
Financial Liabilites	USD	8.68	2.83	7,162.84	2,146.49
	EURO		0.02		14.02
Net exposure	USD	19.38	30.92	15,826.62	23,405.03
	EURO	0.85	1.42	761.12	1,192.35

The company is mainly exposed to changes in US Dollar. The sensitivity to a 1% increase or decrease in US Dollar against INR with all other variables held constant will be ₹ 158.26 Lakhs (Previous Year - ₹ 234.05 Lakhs)

The Sensitivity analysis is prepared on the net unhedged exposure of the company at the reporting date.

Derivatives - Forward Contracts

The Company enters into foreign exchange forward contracts with the intention to minimise the foreign exchange risk of firm commitments. The derivative that is either not designated as hedge or is so designated but is ineffective is categorised as a financial asset or liability at fair vale through Profit or Loss.

The outstanding position and exposures are as under :

	Currency	Amount (In Million)	(₹ in Lakhs)	Nature	Cross Currency
Forward Contract (2022-23)	USD	7.69	6,388.76	Export Sales	INR
Forward Contract (2021-22)	USD	7.75	5,904.87	Export Sales	INR

Price Risks

More than two-third of the Company's revenues are generated from exports and the raw materials are procured through import and local purchases where local purchases track import parity price. The Company is affected by the price stability of certain commodities. Due to the significantly increased volatility of certain commodities, the Company enters into contract with the customers that has provision to pass on the change in the raw material prices and also the volatility in the exchange rate. The Company has a risk management framework aimed at prudently managing the risk arising from the volatility in commodity prices and freight costs.

Notes to the Standalone Financial Statements

As at 31 March 2023

The Company is exposed to price risk due to its investments in debt instruments and mutual funds. The price risk arises due to uncertainties about the future market values of these investments. The company manages the securities price risk through investments in debt funds and diversification by placing limits on individual and total investments. Reports on Investment Portfolio are reviewed on regular basis and all approvals of investment decisions are done in concurrence with the senior management.

As at 31st March 2023 the investments in mutual funds/Debt Instruments/ETF/Equity Shares amounts to ₹ 15,290.37 Lakhs (PY 2021-22 : ₹ 9,361.28 Lakhs Lakhs). A 1% point increase or decrease in the NAV with all other variables held constant would have lead to aprroximately an additional ₹ 152.90 Lakhs (PY 2021-22 : ₹ 93.61 Lakhs) on either side in the statement of profit and loss.

ii) Credit Risk

Credit Risk is the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Company. It arises from credit exposure to customers, financial instruments viz., Investments in Debt Funds and Balances with Banks.

Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company also has an external credit risk insurance cover with ECGC Policy for specific customer(s).. The outstanding trade receivables due for a period exceeding 180 days as at the year ended 31 March 2023 is 0.04% (PY 2021-22: 0.16%) of the total trade receivables. The company uses Expected Credit Loss (ECL) Model to assess the impairment loss or gain. Historical experience of collecting receivables of the Company is supported by low level of past default and hence the credit risk is perceived to be low.

The Company maintains exposure in cash and cash equivalents, term deposits with banks, investments in mutual funds , debt funds and loans to other companies. It has a diversified portfolio of investments with various number of counterparties which have secure credit ratings, hence the risk is reduced. Individual risk limits are set for each counterparty based on financial position, credit rating and past experience. Credit limits and concentration of exposures are actively monitored by its treasury department.

iii) Liquidity Risk

The principal sources of liquidity of the Company are cash and cash equivalents, investment in mutual funds, fund and non-fund based working capital lines from banks and the cash flow that is generated from operations. It believes that current cash and cash equivalents, tied up borrowing lines and cash flow that is generated from operations is sufficient to meet requirements. Accordingly, liquidity risk is perceived to be low.

The following table shows the maturity analysis of financial liabilities of the Company based on contractually agreed undiscounted cash flows as at the Standalone Balance Sheet date.

Notes to the Standalone Financial Statements

As at 31 March 2023

Exposure to liquidity risk:

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted

(₹ in Lakhs)

Particulars	Refer Note	Less than 1 year	More than 1 Year
Borrowings	13	20.10	
		(1,839.89)	
Trade Payable	14	11,793.59	
		(10,939.28)	
Other Non Current Financial Liabilities	11		671.37
		-	(446.00)
Other Current Financial Liabilities	11	806.08	
		(741.69)	

Figures in brackets are in respect of Previous year

Note 26 Fair Values and Hierarchy

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

(₹ in Lakhs)

		Fair Value/Carrying Value	
		As at 31 March 2023	As at 31 March, 2022
Financial Assets			
- Investments	Level One	15,290.37	9,361.28

Level 1: This includes financial instruments measured using quoted prices/Net Asset Value. The fair value of all debt instruments which are traded on the Stock Exchanges is valued using the closing price as at the reporting period.

Financial assets and liabilities measured at amortised cost

(₹ in Lakhs)

	As at 31 March 2023	As at 31 March, 2022
	Carrying Value/Fair Value	
Financial Assets		
Investment in wholly onwed Subsidiary	2,818.64	427.00
Investment at Amortised Cost	7,443.92	-
Loans	32,854.08	25,263.08
Security Deposits	72.73	66.31
Share Application Money Pending Allotment in a Subsidiary	-	425.00
Bank deposits	85.52	142.41
Other Assets	3,175.18	2,741.03
Total Financial Assets	**46,450.07**	**29,064.83**

Notes to the Standalone Financial Statements

As at 31 March 2023

(₹ in Lakhs)

	As at 31 March 2023	As at 31 March, 2022
	Carrying Value/Fair Value	
Financial Liabilities		
Short Term Borrowings	20.10	1,839.89
Other liabilities	1,477.45	1,187.69
Total Financial Liabitlites	**1,497.55**	**3,027.58**

The carrying amounts of trade receivables, cash and cash equivalents, other bank balances and trade payables are considered to be the same as their fair values due to the current and short-term nature of such balances

Note 27 Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate

(₹ in Lakhs)

Particulars	Year Ended 31 March 2023	Year Ended 31 March, 2022
Accounting Profit before Income Tax	61,529.06	44,930.59
At statutory income tax rate of 25.168% (31 March 2022: 25.168%)	15,485.63	11,308.13
Additional deduction for Depreciation & Chapter VI A Deductions	(1,277.40)	(1,291.14)
Income taxable at different rates	128.06	102.58
Effect of exempt/non taxable income	15.93	(273.22)
Effect of non-deductible expenses	204.13	297.33
Others	-	2.32
Total	**14,556.35**	**10,146.00**

Note 28 ADDITIONAL/EXPLANATORY INFORMATION

a) Earnings Per Share

(₹ in Lakhs)

Particulars		Year Ended 31 March 2023	Year Ended 31 March, 2022
Profit after taxation	₹ Lakhs	45,798.28	34,667.51
Weighter Average Number of equity shares (Face Value ₹ 1/-)	Nos.	10,27,82,050	10,27,82,050
Earnings per share	₹ Lakhs	44.56	33.73

b) The Company has taken certain facilities under operating lease arrangements. The lease can be terminated at the option of either parties by giving due notice. The rental expenses under operating leases "Other expenses" in the statement of profit and loss. The Company does not have any non-cancellable leasing arrangements. The lease rentals recognised in the Statement of Profit and Loss for the year are ₹ 2.13 Lakhs/- (previous year ₹ 2.18 Lakhs/-).

c) Disclosures under Ind AS 108 - ""Operating Segment" - (Refer Note below)

(i) Entity wide disclosure required by Ind AS 108 are as detailed below:

(₹ in Lakhs)

Particulars	2022-23	2021-22
Speciality Chemicals	2,03,909.92	1,58,578.32
Others	3,793.92	2,684.99
	2,07,703.84	**1,61,263.31**

Notes to the Standalone Financial Statements

As at 31 March 2023

(i) Geographic information:

The geographic information analyses the Group's revenues and non-current assets by the Company's country of domicile and other countries. In presenting geographic information, segment revenue has been based on the selling location in relation to sales to customers and segment assets are based on geographical location of assets.

(₹ in Lakhs)

Particulars	2022-23	2021-22
Revenue from External Customers:		
India	81,072.42	50,871.95
Outside India	1,26,631.42	1,10,391.36
	2,07,703.84	**1,61,263.31**
Non-current assets (other than financial instruments)		
India	1,16,604.52	95,767.37
Outside India	-	-

(iii) There are no transactions with single external customer which amounts to 10% or more of the Company's revenue.

Note:-

The Company is engaged interalia in the manufacture of Chemicals. These in the context of Ind AS 108 "Operating Segment" is considered to constitute one single primary segment.

D)

Ratios	Numerator	Denominator	As at 31 March 2023	As at 31 March, 2022
(a) Current Ratio,	Current Assets	Current Liabilities	4.51	4.64
(b) Debt-Equity Ratio,	Long Term Borrowings	Shareholder's Equity	NA	NA
(c) Debt Service Coverage Ratio,	Earning for Debt Service	Debt service = Interest + Principal repayments of Long Term Borrowings	NA	NA
(d) Return on Equity Ratio,	Net Profit After Taxes	Average Shareholder's Equity	22.63%	20.56%
(e) Inventory turnover ratio,	Sales	Average Inventory	11.32	10.83
(f) Trade Receivables turnover ratio,	Revenue	Average Trade Reveivables	4.48	4.39
(g) Trade payables turnover ratio	Purchases	Average Trade Payables	11.13	11.47
(h) Net capital turnover ratio	Revenue	Working Capital	2.70	2.65
(i) Net profit ratio,	Net Profit After Taxes	Revenue	22.04%	21.47%
(j) Return on Capital employed,	Earnings before interest and taxes	Capital Employed	26.54%	23.44%
(k) Return on investment				

Notes to the Standalone Financial Statements

As at 31 March 2023

D)

Ratios	Numerator	Denominator	As at 31 March 2023	As at 31 March, 2022
Debt - Liquid Mutual Fund*	Income generated from investments	Time weighted average investments	5.85%	3.39%
Debt - Others**			1.83%	14.39%
Equity - Nifty linked / ETF**			4.88%	11.82%

Note:

*There is an improvement in the return on investment on account of diversified investments with longer tenure.
**Impact of market dynamics

e) As required by section 135 of Companies Act, 2013 and Rules therein, a Corporate social responsibility committee has been formed by the Company. The Company has spent the following amount during the year towards corporate social responsibility (CSR) for activities listed under schedule VII of the Companies Act, 2013.

(₹ in Lakhs)

Particulars	2022-23	2021-22
Gross amount required to be spent by the Company	806.03	790.20
Amount spent by the Company during the year on purpose other than construction/ acquisition of assets	667.15	448.45
Shortfall at the end of the year	138.88	341.75
Total of previous year short fall	234.42	-
Reason for shortfall	Pertains to ongoing Projects	
Nature of CSR Activities	Promoting education, art and culture, healthcare, environment sustainability, and rural development projects	
Details of related party transactions in relation to CSR Expenditure as per relevant Accounting Standard		
Contribution to Kavita Saraf Foundation in relation to CSR Expenditure	20.28	40.46
Remuneration to Ms. Viral Saraf Mittal - Director CSR	43.04	38.25

f) Related party disclosures (As per Ind AS 24 - Related Party Disclosures):

(a) Names of other related parties and nature of relationship:

Wholly owned Subsidiary	i)	Veeral Organics Private Limited
Key Management Personnel:	i)	Mr. Vinod Saraf - Chairman
	ii)	Ms. Vinati Saraf Mutreja - Managing Director and CEO
	iii)	Mr. Jayesh Ashar - Director - Operations
	iv)	Ms. Viral Saraf Mittal - Director CSR
	v)	Mr. N. K. Goyal - Chief Financial Officer (CFO)
	vi)	Mr. Milind Wagh - Company Secretary
Relatives of Key Management Personnel:	i)	Mrs. Kavita Saraf - Wife of Mr. Vinod Saraf
Enterprise owned or significantly influenced by any key management personnel or their relatives	i)	Viral Alkalis Limited
	ii)	Suchir Chemicals Private Ltd.
	iii)	Veeral Additives Pvt. Ltd.
Other Related Parties	i)	Vinati Orgnics Limited - Group Gratuity Trust
	ii)	Mrs. Kavita Vinod Saraf Foundation

Notes to the Standalone Financial Statements

As at 31 March 2023

(b) Transactions with related parties (excluding reimbursements)

Nature of Transactions

(₹ in Lakhs)

		Transactions for the year 31-Mar-23	Closing balance as on 31-Mar 23	Transactions for the year 31-Mar-22	Closing balance as on 31-Mar 22
i)	Wholly Owned Subsidiary				
	Subscription to Equity Share Capital	2,391.64	2,818.64	426.00	427.00
	Share Application money	1,966.64	-	851.00	425.00
	Loan given	-	-	169.75	-
	Interest received	-	-	5.03	-
	Sales	-	-	1.93	
	Reimbersement of Capital Expenditure		-	21.09	21.09
ii)	Key Management Personnel:				
	Managerial Remuneration (Short Term Employee Benefits) *				
	Directors	565.80		515.92	
	CFO	97.11		90.88	
	Company Secretary	38.45		34.63	
	Dividend paid during the year				
	Vinod Saraf	903.54		834.03	
	Vinati Saraf Mutreja	78.69		72.64	
	Viral Saraf Mittal	67.75		62.54	
iii)	Relatives of Key Management Personnel:				
	Dividend paid during the year				
	Kavita Saraf	806.94		744.87	
iv)	Enterprise owned or significantly influenced by any management personnel or their relatives				
	Sales - Viral Alkalis Ltd	2.06	0.11	1.49	-
	Purchase - Viral Alkalis Ltd	675.77	4.00	128.61	-
	Rent of Immovable property-Viral Alkalis Ltd	4.80	-	4.80	-
	Sales - Veeral Additives Pvt. Ltd.	5,199.24	1,805.06	1,635.53	618.39
	Purchase - Veeral Additives Pvt. Ltd.	75.44	1.34	25.31	0.23
	Rent of Immovable property- Veeral Additives Pvt. Ltd.	6.24	-	5.40	-
	Telephone Charges-Veeral Additives Pvt. Ltd.	0.72	-	-	-
	Interest Income - Veeral Additives Pvt. Ltd.	2,003.30	2,956.56	1,203.78	1,153.59
	Loan given to - Veeral Additives Pvt. Ltd.	7,619.50	32,853.90	12,048.00	25,234.40
	Dividend Payment - Suchir Chemicals Private Ltd	3,090.96		2,853.19	-
iv)	Other Related Parties				
	Contributions paid	184.34		155.84	
	Contributions payable		129.14		184.34
	CSR paid	20.28		40.46	

* Remuneration does not include provisions made for Gratuity as it is determined on an actuarial basis for the Company as a whole.

c) Terms and conditions of transactions with related parties

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. For the year ended 31 March 2023, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2022: ₹ Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Notes to the Standalone Financial Statements

As at 31 March 2023

g) Disclosures as per IND AS - 19 - Employee Benefits

During the year, the company has recognised the following amounts in the Statement of Profit and Loss:

(₹ in Lakhs)

	Ratios	Year Ended 31 March 2023	Year Ended 31 March, 2022
i)	Employer's contribution to Provident Fund and Family Pension Fund*	498.67	
	*Included in " Contribution to Provident and other Funds" (Note 21).		
ii)	Defined benefit obligation:		
	a) Leave Encashment - Unfunded	197.82	224.29

iii) The valuation results for the defined benefit gratuity plan as at 31-3-2023 are produced in the tables below:

i) Changes in the Present Value of Obligation

(₹ in Lakhs)

Ratios	Year Ended 31 March 2023	Year Ended 31 March, 2022
Present Value of Obligation as at the beginning	**1,617.22**	**1,405.40**
Current Service Cost	157.56	141.47
Interest Expense or Cost	113.09	98.02
Re-measurement (or Actuarial) (gain) / loss arising from:		
- change in financial assumptions	1.73	(4.79)
- experience variance (i.e. Actual experience vs assumptions)	56.57	34.36
- change in demographic Assumptions		
Benefits Paid	(57.67)	(57.24)
Present Value of Obligation as at the end	**1,888.50**	**1,617.22**

ii) Changes in the Fair Value of Plan Assets

(₹ in Lakhs)

Particulars	Year Ended 31 March 2023	Year Ended 31 March, 2022
Fair Value of Plan Assets as at the beginning	**1,432.88**	**1,250.00**
Investment Income	110.09	92.51
Adjustment to opening Fair Value of Plant Asset		
Return on Plan Assets excluding interest income	(10.28)	(8.23)
Employer's Contribution	284.35	155.84
Benefits Paid	(57.67)	(57.24)
Fair Value of Plan Assets as at the end	**1,759.37**	**1,432.88**

iii) Expenses Recognised in the Income Statement

(₹ in Lakhs)

Particulars	Year Ended 31 March 2023	Year Ended 31 March, 2022
Current Service Cost	**157.56**	**141.47**
Net Interest Cost / (Income) on the Net Defined Benefit Liability / (Asset)	3.00	5.51
Expenses Recognised in the Income Statement	**160.56**	**146.98**

Notes to the Standalone Financial Statements

As at 31 March 2023

iv) Other Comprehensive Income

(₹ in Lakhs)

Particulars	Year Ended 31 March 2023	Year Ended 31 March, 2022
Actuarial (gains) / losses		
- change in financial assumptions	1.73	(4.79)
- experience variance (i.e. Actual experience vs assumptions)	56.57	34.36
- change in demographic Assumptions	-	-
Return on Plan Assets excluding interest income	10.28	8.23
Components of defined benefit costs recognised in other comprehensive income	**68.58**	**37.80**

v) Net Asset/(Liability) recognised in the Balance Sheet

(₹ in Lakhs)

Particulars	Year Ended 31 March 2023	Year Ended 31 March, 2022
Net Asset/(Liability) Recognised at the beginning of the period	**(184.34)**	**(155.40)**
Expenses Recognised in the Income Statement	(160.56)	(146.98)
Components of defined benefit costs recognised in other comprehensive income	(68.58)	(37.80)
Employer Contributions	284.35	155.84
Net Asset/(Liability) Recognised at the end of the year	**(129.14)**	**(184.34)**

vi) Major categories of Plan Assets (as percentage of Total Plan Assets)

(₹ in Lakhs)

Particulars	(Vinati Organics Limited group gratuity cash accumulation trust)	
	Year Ended 31 March 2023	Year Ended 31 March, 2022
Funds managed by Insurer	100%	100%

- In the absence of detailed information regarding Plan assets which is funded with Insurance Company, the composition of each major category of Plan assets, the percentage or amount for each category to the fair value of Plan assets has not been disclosed.

vii) Actuarial Assumptions

a. Financial Assumptions

The principal financial assumptions used in the valuation are shown in the table below:

(₹ in Lakhs)

Particulars	As on	
	Year Ended 31 March 2023	Year Ended 31 March, 2022
Discount rate (per annum)	7.34%	7.12%
Salary growth rate (per annum)	7.00%	6.75%

Notes to the Standalone Financial Statements

As at 31 March 2023

b. Demographic Assumptions

(₹ in Lakhs)

Particulars	As on Year Ended 31 March 2023	As on Year Ended 31 March, 2022
Mortality Rate (% of IALM 06-08)	100%	100%
Withdrawal rates, based on age: (per annum)		
Up to 42 years	5.00%	5.00%

viii) Amount, Timing and Uncertainty of Future Cash Flows

a. Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

(₹ in Lakhs)

	As on 31 March 2023	As on 31 March, 2022
Defined Benefit Obligation (Base)	1,888.50	1,617.22

Particulars	As at 31 March 2023		As at 31 March 2022	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	2,021.94	1,769.80	1,737.74	1,510.25
(% change compared to base due to sensitivity)	7.07%	-6.29%	7.45%	-6.61%
Salary Growth Rate (- / + 1%)	1,999.91	1,784.31	1,523.25	1,719.25
(% change compared to base due to sensitivity)	5.90%	-5.52%	-5.81%	6.31%
Attrition Rate (- / + 50%)	1,888.51	1,888.59	1,617.18	1,617.32
(% change compared to base due to sensitivity)	0.00%	0.01%	0.00%	0.01%

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

b. Asset Liability Matching Strategies

The scheme is managed on funded basis.

Notes to the Standalone Financial Statements

As at 31 March 2023

c. Effect of Plan on Entity's Future Cash Flows

	(₹ in Lakhs)
- **Funding arrangements and Funding Policy**	
The scheme is managed on funded basis.	
- **Expected Contribution during the next annual reporting period**	
The Company's best estimate of Contribution during the next year	142.72
- **Maturity Profile of Defined Benefit Obligation**	
Weighted average duration (based on discounted cash flows)	9.85 Years
- **Expected cash flows over the next (valued on undiscounted basis):**	

	(₹ in Lakhs)
1 year	154.09
2 to 5 years	728.78
6 to 10 years	962.29
Above 10 Years	1,594.55

ix) Movement of Liability : Employee Benefit

(₹ in Lakhs)

Particulars	Gratuity	Leave Encashment	Total
Opening balance	184.34	352.24	536.58
Add : Provision for the year	229.14	197.82	426.96
Less : Paid during the year	-284.35	-172.87	-457.21
Closing Balance	129.14	377.19	506.33

h) Commitment

(i) Estimated amount of contracts remaining to be executed on Capital Account, net of advances and not provided for ₹ 2038.25 Lakhs (Previous Year ₹ 6682.40 Lakhs)

(ii) Other Commitments

a Bank Guarantees - ₹ 2941.81 Lakhs (Previous Year - ₹ 1921.84 Lakhs).

b Letters of Credit issued by the Banks - ₹ 1500.24 Lakhs (Previous Year - ₹ 762.72 Lakhs).

i) Contingent Liabilities not provided for:

(a) Disputed Excise/Customs Duty/Service tax demands pending before the Appellate Authorities/High Court - ₹ 49.32 Lakhs (Previous Year ₹ 49.32 Lakhs) against which payment of ₹ 1.88 Lakhs (Previous Year ₹ 1.88 Lakhs) has been made.

(b) Disputed Income Tax Demands - ₹ 10.59 Lakhs ((Previous Year ₹ 0.86 Lakhs).

(c) Electricity Duty contested on co-power generation - ₹ 1,713.62 Lakhs (Previous Year. ₹ 1,294.79 Lakhs)

Notes to the Standalone Financial Statements

As at 31 March 2023

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

(₹ in Lakhs)

Particualrs	Purpose	Amount outstanding		Maximum outstanding during the year	
		2022-23	2021-22	2022-23	2021-22
Other Parties					
Veeral Additives Private Limited	Capital Expenditure	32,853.90	25,234.40	32,853.90	25,234.40

Notes:

i) Loans given to employees as per the policy of the Company are not considered.

ii) The loanees did not hold any shares in the share capital of the Company.

k) The Company has subscribed to additional 2,39,16,400 (P. Y. 42,60,000) fully paid up equity shares of the face value of ₹ 10/- each at par by way of subscription towards the right issue of Veeral Organics Pvt. Ltd., a wholly owned subsidiary of the company

l) i) Regarding the proposed scheme of amalgamation of Veeral Additives Private Limited with the Company, all necessary approvals has been obtained except the final approval of the Hon'ble NCLT, Mumbai, which is pending for hearing.

ii) This is to facilitate forward integration to the existing product lines of the company. To expedite the completion of the project in time, and to avoid delays in the execution due to ongoing pandemic, the company has advanced loans of ₹ 7,619.50 Lakhs (P.Y. ₹ 12,048 Lakhs) Lakhs to the proposed amalgamating company with a reference made in the scheme that Veeral Additives Private Limited will conduct all activites as trustees for the Company.

m) Events Occuring after the Balance Sheet date

The proposed final dividend for FY 2022-23 amounting to ₹ 7,194.74 Lakhs (PY 2021-22 : 6,680.83 Lakhs) will be recognised as distribution to owners during the financial year 2023-24 on its approval by Shareholders. The proposed final dividend per share amounts to ₹ 7/- (PY 2021-22 : ₹ 6.50/-)

n) The company did not have any material transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act,1956 during the financial year

o) The figures for the corresponding previous year have been regrouped and/or rearranged wherever considered necessary

For M.M.Nissim & Co LLP
Chartered Accountants
Firm Reg.No. 1107122W/W100672

N.Kashinath
Partner
Mem.No.036490
UDIN: 23036490BGXRXZ9965

Mumbai, Dated 19th May, 2023

For and on behalf of Board of Directors

Millind Wagh
Company Secretary

Vinod Saraf
Chairman
DIN: 00076708

Nand Kishor Goyal
Chief Financial Officer

Vinati Saraf Mutreja
Managing Director & CEO
DIN: 00079184

Consolidated Financial Statements

Independent Auditor's Report

TO THE MEMBERS OF VINATI ORGANICS LIMITED

Report on the Consolidated Financial Statements

Opinion

1. We have audited the accompanying Consolidated Financial Statements of VINATI ORGANICS LIMITED (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") comprising of the Consolidated Balance Sheet as at March 31, 2023 and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Statement of Changes in Equity and the Consolidated Cash flow statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

2. In our opinion and to the best of our information and according to the explanations given to us and based on other financial information of the subsidiaries, 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 accounting principles generally accepted in India including the Ind AS, of the consolidated state of affairs (financial position) of the Group as at 31st March, 2023, and their consolidated profit (financial performance including other comprehensive income), the consolidated changes in equity and their consolidated cash flows for the year ended on that date.

Basis of Opinion

3. We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing 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 Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act 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 audit opinion on the Consolidated Financial Statements.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current year. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Sr. No.	Key Audit Matter	Our Response
1	**Defined benefit obligation** The valuation of the retirement benefit schemes in the Holding Company is determined with reference to various actuarial assumptions including discount rate, future salary increases, rate of inflation, mortality rates and attrition rates. Due to the size of these schemes, small changes in these assumptions can have a material impact on the estimated defined benefit obligation.	We have examined the key controls over the process involving member data, formulation of assumptions and the financial reporting process in arriving at the provision for retirement benefits. We tested the controls for determining the actuarial assumptions and the approval of those assumptions by senior management. We found these key controls were designed, implemented and operated effectively, and therefore determined that we could place reliance on these key controls for the purposes of our audit. We tested the employee data used in calculating the obligation and where material, we also considered the treatment of curtailments, settlements, past service costs, remeasurements, benefits paid, and any other amendments made to obligations during the year. From the evidence obtained, we found the data and assumptions used by management in the actuarial valuations for retirement benefit obligations to be appropriate.

Sr. No.	Key Audit Matter	Our Response
2	**Property, Plant & Equipment (Including Capex)** Tracking and monitoring capex requires more attention to ensure reasonable accurateness and completeness of financial reporting in respect of Property, plant and equipment. Further, technical complexities require management to assess and make estimates/judgements about capitalization, estimated useful life, impairment etc. which has material impact on Balance sheet and operating results. Refer note 1(C)(iii) to Consolidated financial statements	**Principal Audit Procedures** Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows; i. We assessed Group's process regarding maintenance of records and accounting of transactions pertaining to property, plant and equipment including capital work in progress with reference to Indian Accounting Standard 16. ii. We have carried out substantive audit procedures at financial and assertion level to verify the capitalization of assets as Property, Plant & Equipment iii. We have reviewed management judgement pertaining to estimation of useful life and depreciation of the Property, Plant and equipment in accordance with Schedule II of the Companies Act, 2013. We have relied on physical verification conducted by management and management representations.

Information Other than the Consolidated financial statements and Auditor's Report thereon

5. The Holding Company's Management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Holding Company's Board's Report including Annexures to Board's Report, Management Discussion and Analysis, Report on Corporate Governance, Business Responsibility Report, but does not include the Consolidated Financial Statements and our auditor's report thereon.

6. Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

7. In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

8. 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.

Management's Responsibility and Those Charged with Governance for the Consolidated Financial Statements

9. The Holding Company's Board of Directors is responsible for the preparation and presentation of these Consolidated 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 Indian Accounting Standards (Ind AS) 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 accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

10. In preparing the Consolidated 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 management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

11. The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the audit of the Consolidated Financial Statements

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

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

    - Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

    - Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company and its subsidiary company which is a company incorporated in India, 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 in the consolidated financial statements made by the management.

    - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group'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 Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

    - Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

    - Obtain sufficient appropriate audit evidence regarding the financial information of the entity or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entity included in the Consolidated Financial Statements of which we are the independent auditors.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current year 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

14. As required by Section 143 (3) of the Act, we report, to the extent applicable, that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.

b) In our opinion, proper books of account, as required by the law relating to preparation of the aforesaid Consolidated Financial Statements, have been kept so far as it appears from our examination of those books.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other comprehensive income), Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of Consolidated financial statements.

d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read together with Rules thereon.

e) On the basis of the written representations received from the directors of the Company as on March 31, 2023 taken on record by the Board of Directors of the Company, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and

g) As required by section 197(16) of the Act, based on our audit, we report that the Holding Company has paid and provided for remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us;

i) The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group. Refer Note 26(f) to the consolidated financial statements.

ii) The Group did not have any long-term contracts including derivative contracts, for which there were any material foreseeable losses during the year ended 31st March, 2023

iii) There has been no delay in transferring amount required to be transferred, to the Investor Education Protection Fund by the Holding Company during the year ended 31st March, 2023

iv) (a) The respective Managements of the Company and its subsidiary which is a company incorporated in India, whose financial statements have been audited under the Act, have represented to us that 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 and its subsidiary company incorporated in India to or in any other person(s) or entity(ies), including foreign entities (Intermediaries"), with the understanding whether recorded in writing or otherwise that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of its subsidiary, ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The respective Managements of the Company and its subsidiary which is a company incorporated in India, whose financial statements have been audited under

the Act, have represented to us that to the best of their knowledge and belief, no funds have been received by the Company and its subsidiary company incorporated in India, from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of its 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; and

(c) Based on such audit procedures, we have considered reasonable and appropriate in the circumstances performed by us on the Holding Company and its subsidiary, which is a company incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that causes us to believe that the above representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (a) and (b) above, contain any material misstatement.

v) The Holding Company has complied with the provisions with respect to Section 123 of the Companies Act, 2013 in respect of final dividend proposed in the previous year, and paid by the company during the year and the proposed final dividend for the year which is subject to the approval of members at the ensuing Annual General Meeting, as applicable.

vi) As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), which provides for maintaining books of account in accounting software having a feature of recording audit trail of each and every transaction, creating an edit log of each change made in books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled, is applicable to the Holding Company only with effect from financial year beginning April 1, 2023, the reporting under clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), is currently not applicable, and

vii) 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 the Auditor's Report, according to the information and explanation given to us, and based on CARO reports issued by us for the company and its subsidiary incorporated in India included in the consolidated financial statements of the company, to which the reporting under CARO is applicable., we report that there are no qualifications or adverse remarks in these CARO reports

For **M M NISSIM & CO LLP**
Chartered Accountants
(Firm Regn. No. 107122W/W100672)

(N. Kashinath)
Partner
Mem. No.: 036490
Mumbai, 19th May,2023
UDIN : 23036490BGXRXZ9965

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF VINATI ORGANICS LIMITED

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

Opinion

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2023, we have audited the internal financial controls with reference to the financial statements of **VINATI ORGANICS LIMITED** ("the Holding Company") and its subsidiary company which is a company incorporated in India, as of that date.

2. In our opinion, the Holding Company and its subsidiary company which is a company incorporated in India have, in all material respects, an adequate internal financial controls with reference to consolidated Ind AS financial statements and such internal financial controls were operating effectively as at March 31, 2023, based on the internal controls with reference to consolidated financial statements criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

Management's Responsibility for Internal Financial Controls

3. The respective Company's management and Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note. 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 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.

Auditors' Responsibility

4. Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Consolidated Financial Statements were established and maintained and if such controls operated effectively in all material respects.

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

6. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Internal Financial Controls with reference to consolidated financial statements.

Meaning of Internal Financial Controls with reference to financial statements

7. A company's internal financial control with reference to 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 authorisation of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

For **M M NISSIM & CO LLP**
Chartered Accountants
(Firm Regn. No. 107122W/W100672)

(N. Kashinath)
Partner
Mem. No.: 036490
Mumbai, 19th May,2023
UDIN : 23036490BGXRXZ9965

Consolidated Balance Sheet

as at 31 March 2023

(₹ in Lakhs)

Particulars	Note	As at 31 March 2023	As at 31 March 2022
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	2 (a)	88,108.75	87,193.50
Capital Work-in-Progress	2 (b)	23,468.12	5,147.56
Other Intangible Assets	2 (c)	89.50	123.20
Financial Assets;			
- Investments	3	3,335.58	9,349.70
- Loans	4	32,853.90	25,234.40
- Other financial assets	5	159.59	208.72
Other non-current assets	6	7,305.97	4,118.76
Current Assets			
Inventories	7	19,094.84	17,615.88
Financial Assets;			
– Investments	3	19,398.71	11.58
– Trade Receivables	8	46,958.19	45,838.11
– Cash and cash Equivalents	9	564.43	95.14
– Bank balances other than cash and cash equivalents	10	593.02	334.48
– Loans	4	0.18	28.68
– Others financial assets	5	3,175.18	2,741.03
Current Tax Assets (Net)		1,235.29	1,745.31
Other current assets	6	8,367.82	9,189.32
TOTAL ASSETS		**2,54,709.07**	**2,08,975.37**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	SOCE	1,027.82	1,027.82
Other Equity	SOCE	2,20,801.06	1,81,773.99
Total Equity		**2,21,828.88**	**1,82,801.81**
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities			
– Other Financial Liabilities	11	685.20	446.00
Deferred Tax Liabilities (Net)	12	10,207.92	9,002.19
Current Liabilities			
Financial Liabilities			
– Borrowings	13	20.10	1,839.89
– Trade Payables			
(A) total oustanding dues of micro & small enterprises	14	146.13	480.56
(B) total outstanding dues otherthan micro & small enterprises	14	11,667.72	10,458.83
– Other Financial Liabilities	11	806.08	741.69
Other Current Liabilities	15	7,886.37	2,612.02
Provisions	16	506.33	536.58
Current Tax Liabilities (Net)		954.34	55.80
Total Liabilities		**32,880.19**	**26,173.56**
TOTAL EQUITY AND LIABILITIES		**2,54,709.07**	**2,08,975.37**
Significant Accounting Policies	1		

Accompanying Notes are an integral part of these financial statements

This is the Balance Sheet referred to in our report of even date

For M.M.Nissim & Co LLP
Chartered Accountants
Firm Reg.No. 1107122W/W100672

N.Kashinath
Partner
Mem.No.036490
UDIN: 23036490BGXRYA1504

Mumbai, Dated 19th May, 2023

For and on behalf of Board of Directors

Millind Wagh
Company Secretary

Vinod Saraf
Chairman
DIN: 00076708

Nand Kishor Goyal
Chief Financial Officer

Vinati Saraf Mutreja
Managing Director & CEO
DIN: 00079184

Consolidated Statement of Profit and Loss

for the year ended 31 March 2023

(₹ in Lakhs)

Particulars	Note	Year ended 31 March 2023	Year ended 31 March, 2022
INCOME			
Revenue from Operations	17	2,08,470.55	1,61,551.18
Other Income	18	7,242.72	6,091.21
TOTAL INCOME		**2,15,713.27**	**1,67,642.39**
EXPENSES			
Cost of materials consumed	19	1,08,856.21	85,532.03
Purchase of Stock in Trade		-	581.30
Changes in inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	20	(507.61)	(40.98)
Employee Benefits expense	21	9,322.08	8,398.54
Finance Costs	22	62.72	25.87
Depreciation and Amortisation expense	23	5,193.92	4,548.63
Other Expenses	24	31,257.74	23,672.06
TOTAL EXPENSES		**1,54,185.06**	**1,22,717.45**
PROFIT BEFORE TAX		**61,528.21**	**44,924.94**
TAX EXPENSE			
Current Tax		14,556.35	10,146.00
Deferred Tax		1,205.72	1,209.45
Earlier year Adjustments		(31.29)	(1,092.37)
TOTAL TAX EXPENSE		**15,730.78**	**10,263.08**
PROFIT FOR THE YEAR		**45,797.43**	**34,661.86**
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to Profit or Loss			
Remeasurements of Defined benefit plans		(68.58)	(37.80)
Income Tax relating to items that will not be reclassified to Profit or Loss		17.26	9.51
TOTAL OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX		**(51.32)**	**(28.29)**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**45,746.11**	**34,633.57**
EARNINGS PER EQUITY SHARE	26 (b)		
Basic		44.56	33.72
Diluted		44.56	33.72
Significant Accounting Policies	1		

Accompanying Notes are an integral part of these financial statements

This is the Statement of Profit and Loss referred to in our report of even date

For M.M.Nissim & Co LLP
Chartered Accountants
Firm Reg.No. 1107122W/W100672

N.Kashinath
Partner
Mem.No.036490
UDIN: 23036490BGXRYA1504

Mumbai, Dated 19th May, 2023

For and on behalf of Board of Directors

Millind Wagh
Company Secretary

Vinod Saraf
Chairman
DIN: 00076708

Nand Kishor Goyal
Chief Financial Officer

Vinati Saraf Mutreja
Managing Director & CEO
DIN: 00079184

Consolidated Cash Flow Statement

for the year ended 31 March 2023

(₹ in Lakhs)

	Particulars	Year Ended 31 March 2023 Audited		Year Ended 31 March 2022 Audited	
A.	**CASH FLOW FROM OPERATING ACTIVITIES :**				
	NET PROFIT BEFORE TAX		61,528.21		44,924.94
	Adjustment for :				
	Depreciation	5,193.92		4,548.63	
	Unrealised foreign exchange loss/(gain)	(221.93)		(560.56)	
	Finance Cost (including fair value change in financial instruments)	62.72		25.87	
	Project expenses w/off	224.94		-	
	Interest Income	(2,219.77)		(1,366.40)	
	Dividend Income	(36.58)		(31.44)	
	Net Loss on fair value changes on financial assets classified as FVTPL	233.76		(1,072.29)	
	Net gain on sale of Investments classified as FVTPL	(130.76)		(378.12)	
	Loss / (Gain) on Sale / Disposal of Property, Plant and Equipment	(1.33)	**3,104.97**	(0.80)	**1,164.89**
	OPERATING PROFIT/(LOSS) BEFORE WORKING CAPITAL CHANGES		**64,633.18**		**46,089.83**
	Trade receivables	(876.77)		(17,529.29)	
	Other Non Current Financial assets	(7.76)		46.86	
	Other Current Financial assets	1,430.65		(291.69)	
	Other Non Current Assets	0.49		14.76	
	Other Current Assets	821.50		(4,398.92)	
	Inventories	(1,478.96)		(5,421.92)	
	Trade Payable	892.65		4,783.39	
	Provisions	(98.83)		28.86	
	Other Non Current Financial Liabilities	213.02		46.85	
	Other Current Financial Liabilities	52.27		152.09	
	Other current liabilities	5,267.41	6,215.67	(30.49)	(22,599.50)
	CASH GENERATED FROM OPERATIONS		**70,848.85**		**23,490.33**
	Direct Taxes paid		(13,099.37)		(10,813.04)
	NET CASH FROM OPERATING ACTIVITIES		**57,749.48**		**12,677.29**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Purchase of Property, Plant and Equipment	(6,077.08)		(16,198.74)	
	Capital Work in Progress And Capital Advance	(21,733.20)		(1,189.17)	
	Proceeds from sale of Property, Plant and Equipment	2.98		17.68	
	Purchase of Investments	(12,839.87)		(4,037.65)	
	Proceeds from sale of Investments	11,307.18		7,553.65	
	Loans (Financial assets)	(7,591.00)		(12,068.38)	
	Deposits/Balances with Banks	(201.65)		53.07	
	Interest Income	354.97		299.88	
	Dividend income	36.58		31.44	
	NET CASH USED IN INVESTING ACTIVITIES		**(36,741.09)**		**(25,538.22)**

Consolidated Cash Flow Statement

for the year ended 31 March 2023

(₹ in Lakhs)

	Particulars	Year Ended 31 March 2023 Audited		Year Ended 31 March 2022 Audited	
C.	**CASH FLOW FROM FINANCING ACTIVITIES**				
	(Repayments) / Proceeds from Working Capital Facilities (Net)	(1,819.79)		1,637.40	
	Non Current Financial Liabilities	26.18		(75.55)	
	Share Issue Expense	(38.21)		(10.84)	
	Interest paid	(62.72)		(25.87)	
	Dividend	(6,701.41)		(6,179.34)	
	NET CASH FROM FINANCING ACTIVITIES		**(8,595.95)**		**(4,654.20)**
	NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		**12,412.44**		**(17,515.13)**
	CASH AND CASH EQUIVALENTS AS AT 31ST MARCH, 2022		**106.72**		**17,619.45**
	- Cash and cash Equivalents		95.14		168.32
	- Highly Liquid Investments		11.58		17,451.13
	Unrealised Gain / (Loss) on Foreign currency Cash & Cash equivalents		**0.06**		**(2.40)**
	CASH AND CASH EQUIVALENTS AS AT 31 March 2023		**12,519.22**		**106.72**
	- Cash and cash Equivalents		564.43		95.14
	- Highly Liquid Investments		11,954.79		11.58
	Note to Cash Flow Statement:				
	1. The above Cash Flow Statement has been prepared under the Indirect Method.				
	2. Reconciliation of Financing Liabilties				
			31.03.2023		**31.03.2022**
	Opening Balance		1,849.00		299.57
	Cash inflow /(outflow) of current borrowings		(1,819.79)		1,637.40
	Other changes		26.18		(75.55)
	Changes in unpaid dividend		(20.58)		-12.42
	Closing Balance		**34.81**		**1,849.00**

This is the Cash Flow statement referred to in our report of even date

For M.M.Nissim & Co LLP
Chartered Accountants
Firm Reg.No. 1107122W/W100672

N.Kashinath
Partner
Mem.No.036490
UDIN: 23036490BGXRYA1504

Mumbai, Dated 19th May, 2023

For and on behalf of Board of Directors

Millind Wagh
Company Secretary

Vinod Saraf
Chairman
DIN: 00076708

Nand Kishor Goyal
Chief Financial Officer

Vinati Saraf Mutreja
Managing Director & CEO
DIN: 00079184

Consolidated Statement Of Changes In Equity (SOCE)

for the year ended 31 March 2023

(₹ in Lakhs)

EQUITY SHARE CAPITAL	As at 31 March 2023 Number	As at 31 March 2022 Number	As at 31 March 2023 Amount	As at 31 March 2022 Amount
Authorised Share Capital	15,00,00,000	15,00,00,000	1,500.00	1,500.00
Issued Share Capital	10,27,82,050	10,27,82,050	1,027.82	1,027.82
Subscribed Share Capital	10,27,82,050	10,27,82,050	1,027.82	1,027.82
Fully Paid-up Share Capital	10,27,82,050	10,27,82,050	1,027.82	1,027.82
Balance at the beginning of the reporting year	**10,27,82,050**	**10,27,82,050**	**1,027.82**	**1,027.82**
Changes in equity share capital due to prior period errors	-		-	-
Restated balance as at the beginning of the reporting year	10,27,82,050	10,27,82,050	**1,027.82**	**1,027.82**
Changes in Equity Share Capital during the reporting year	-	-	-	-
Balance at the end of the reporting year	**10,27,82,050**	10,27,82,050	**1,027.82**	1,027.82

Rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital

The company has one class of equity shares having a par value of ₹ 1 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 assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Shares held by promoters at the end of the year	As at 31 March 2023		% Change during the year	As at 31 March 2022		% Change during the year
Promoter Name	No.	%		No.	%	
Vinod Saraf	1,39,00,582	13.52%	NIL	1,39,00,582	13.52%	NIL
Kavita Saraf	1,24,14,456	12.08%	NIL	1,24,14,456	12.08%	NIL
Suchir Chemicals Pvt. Ltd.	4,75,53,168	46.27%	NIL	4,75,53,168	46.27%	0.01%
Vinati Saraf Mutreja	12,10,620	1.18%	NIL	12,10,620	1.18%	NIL
Viral Saraf Mittal	10,42,366	1.01%	NIL	10,42,366	1.01%	NIL

Shares in the Company held by each shareholder holding more than five percent shares	As at 31 March 2023		As at 31 March 2022	
	No.	%	No.	%
Vinod Saraf	1,39,00,582	13.52%	1,39,00,582	13.52%
Kavita Saraf	1,24,14,456	12.08%	1,24,14,456	12.08%
Suchir Chemicals Pvt. Ltd.	4,75,53,168	46.27%	4,75,53,168	46.27%

Consolidated Statement Of Changes In Equity (SOCE)

for the year ended 31 March 2023

OTHER EQUITY	Reserves and Surplus						TOTAL
	Securities Premium	General Reserve	Capital Reserve	Capital Redemption Reserve	Retained Earnings	Remeasurements of Defined Benefit Plans	
Restated balance as at 1st April 2021	**636.28**	**5,948.72**	**30.40**	**4.00**	**1,46,907.00**	**(213.26)**	**1,53,313.14**
Profit for the reporting year ending 31st March 2022					34,661.86		34,661.86
Other Comprehensive Income for the Current Reporting year ending 31 March 2022	-	-	-	-	-	(28.29)	(28.29)
Total Comprehensive Income for the Reporting year	-	-	-	-	34,661.86	(28.29)	34,633.58
Transactions with owners in their capacity as owners:							
Elimination of Transaction with subsidiary		5.03					5.03
Share Issue Expenses					(10.84)		(10.84)
Dividends;					(6,166.92)		(6,166.92)
Balance at the end of the reporting year ending 31st March 2022	**636.28**	**5,953.75**	**30.40**	**4.00**	**1,75,391.10**	**(241.55)**	**1,81,773.99**
Profit for the reporting year ending 31st March 2023					45,797.43		45,797.43
Other Comprehensive Income for the Current Reporting year ending 31 March 2023	-	-	-	-	-	(51.32)	(51.32)
Total Comprehensive Income for the Reporting year	-	-	-	-	45,797.43	(51.32)	45,746.11
Transactions with owners in their capacity as owners:							
Share Issue Expenses					(38.21)		(38.21)
Dividends;					(6,680.83)		(6,680.83)
Balance at the end of the reporting year ending 31st March 2023	**636.28**	**5,953.75**	**30.40**	**4.00**	**2,14,469.49**	**(292.87)**	**2,20,801.06**

Consolidated Statement Of Changes In Equity (SOCE)

for the year ended 31 March 2023

Nature and Purpose of each component of equity	Nature and Purpose
i. Securities Premium	Amounts received in excess of par value on issue of shares is classified as Securities Premium
ii. General Reserve	General Reserve represents accumulated profits and is created by transfer of profits from Retained Earnings and it is not an item of Other Comprehensive Income and the same shall not be subsequently reclassified to Statement of Profit and Loss
iii. Capital Reserve	Capital Reserve represents special capital incentive of ₹ 30 Lakhs & ₹ 0.40 Lakhs of share forfeiture.
iv. Capital Redemption Reserve	Capital Redemtion Reserve is created against the buy back of shares by the Company as per statutory requirements
v. Retained Earnings	Retained Earnings are Profits that the company has earned till date less any transfers to General Reserves and Dividends.
vi. Remeasurements of Defined Benefit Plans	Gains/Losses arising on Remeasurements of Defined Plan at the end of each reporting period is separately disclosed under Reserves and Surplus and shall not be reclassified to the Statement of Profit or Loss in the Subsequent years.
Significant Accounting Policies	1

Accompanying Notes are an integral part of these Financial Statements

This is the Statement of Changes in Equity (SOCE) referred to in our report of even dat

For M M Nissim & Co LLP
Chartered Accountants
Firm Reg.No. 1107122W/W100672

N.Kashinath
Partner
Mem.No.036490

Mumbai, Dated 19th May, 2023
UDIN: 23036490BGXRYA1504

For and on behalf of Board of Directors

Millind Wagh
Company Secretary

Vinod Saraf
Chairman
DIN: 00076708

Nand Kishor Goyal
Chief Financial Officer

Vinati Saraf Mutreja
Managing Director & CEO
DIN: 00079184

Notes to the Consolidated Financial Statements

As at 31 March 2023

Note 1 : Significant Accounting Policies

A General Information

The consolidated financial statements comprise financial statements of Vinati Ogranics Limited (the Holding Company) and its subsidiary (collectively, the Group) for the year ended 31 March 2023. The Group is engaged in manufacturing of speciality chemicals.

B Principles of Consolidation

The consolidated financial statements comprise of the financial statements of the Vinati Organics Limited and its wholly owned subsidiary, Veeral Organics Private Limited, incorporated in India, as at 31 March, 2023

The consolidated financial statements comprise the financial statements of the Holding Company and its subsidiary as at 31 March 2023. 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 investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- 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 a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an 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 size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

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, liabilities, 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. Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments, if material, are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies. The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent Group, i.e., year ended on 31 March.

Consolidation procedure:

a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiary. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of subsidiary.

c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the

Notes to the Consolidated Financial Statements

As at 31 March 2023

non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

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:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

C Basis of preparation of Financial Statements

The principal accounting policies applied in the preparation of these financial statements are set out in Para C below. These policies have been consistently applied to all the years presented

i Statement of Compliance

These Consolidated financial statements have been prepared in accordance with IND AS as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto.

ii Basis of preparation and presentation

The financial statements have been prepared on historical cost basis considering the applicable provisions of Companies Act 2013, except for the following material item that has been measured at fair value as required by relevant Ind AS. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

a) Certain financial assets/liabilities measured at fair value (Refer note C-20) and

b) Any other item as specifically stated in accounting policy.

The Financial Statement are presented in Indian Rupee ('INR') and all values are rounded to the Rupee in Lakhs, unless otherwise stated.

The Group reclassifies comparative amounts, unless impracticable and whenever the Group changes the presentation or classification of items in its financial statements materially. No such material reclassification has been made during the year.

The financial statements of the Group for the Year Ended 31 March 2023 were authorised for issue in accordance with a resolution of the board of directors on 19th May, 2023

iii Major Sources of Estimation Uncertainty

In the application of accounting policy which are described in note (C) below, the management is required to make judgment, estimates and assumptions about the carrying amount of assets and liabilities, income and expenses, contingent liabilities and the accompanying disclosures that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant and are prudent and reasonable. Actual results may differ from those estimates. The estimates and underlying assumptions are reviewed on ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

The few critical estimations and judgments made in applying accounting policies are:

Property, Plant and Equipment:

Useful life of Property Plant and Equipment and Intangible Assets are as specified in Schedule II to the Companies Act, 2013 and on certain intangible assets

Notes to the Consolidated Financial Statements

As at 31 March 2023

based on technical advice which considered the nature of the asset, the usage of the asset and anticipated technological changes. The group reviews the useful life of Property, Plant and Equipment at the end of each reporting period. This reassessment may result in change in depreciation charge in future periods.

Impairment of Non-financial Assets:

For calculating the recoverable amount of non-financial assets, the Group is required to estimate the value-in-use of the asset or the Cash Generating Unit and the fair value less costs to disposal. For calculating value in use the Group is required to estimate the cash flows to be generated from using the asset. The fair value of an assets is estimated using a valuation technique where observable prices are not available. Further, the discount rate used for value in use calculations includes an estimate of risk assessment specific to the asset.

Impairment of Financial Assets:

The Group impairs financial assets other than those measured at fair value through profit or loss or designated at fair value through other comprehensive income on expected credit losses. The estimation of expected credit loss includes the estimation of probability of default (PD), loss given default (LGD) and the exposure at default (EAD). Estimation of probability of default apart from involving trend analysis of past delinquency rates include an estimation on forward-looking information relating to not only the counterparty but also relating to the industry and the economy as a whole. The probability of default is estimated for the entire life of the contract by estimating the cash flows that are likely to be received in default scenario. The lifetime PD is reduced to 12 month PD based on an assessment of past history of default cases in 12 months. Further, the loss given default is calculated based on an estimate of the value of the security recoverable as on the reporting date. The exposure at default is the amount outstanding at the balance sheet date.

Defined Benefit Plans:

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Fair Value Measurement of Financial Instruments:

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Income taxes

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

In assessing the realizability of deferred income tax assets, management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the Group will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

C Summary of Significant Accounting Policies

1 Property, Plant and Equipment

The Group has elected to continue with the carrying value of Property, Plant and Equipment ('PPE') recognised as of transition date measured as per the Previous GAAP and use that carrying value as its deemed cost of the PPE.

Notes to the Consolidated Financial Statements

As at 31 March 2023

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses except freehold land which is not depreciated. Cost includes purchase price (after deducting trade discount / rebate), import duties, non-refundable duties and taxes, cost of replacing the component parts, borrowing costs (as per Sl. no. 14 below) and other directly attributable cost to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, and the initial estimates of the cost of dismantling/removing the item and restoring the site on which it is located.

Spares parts procured along with the Plant and Equipment or subsequently individually which meets the recognition criteria of PPE are capitalized and added to the carrying amount of such items. The carrying amount of those spare parts that are replaced are derecognized when no future economic benefits are expected from their use or upon disposal. If the cost of the replaced part is not available, the estimated cost of similar new parts is used as an indication of what the cost of the existing part was when the item was acquired.

An item of PPE is derecognised on disposal or when no future economic benefits are expected from use. Any gain or loss arising on the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized in Statement of Profit and Loss when the asset is derecognised.

The depreciable amount of an asset is determined after deducting its residual value. Where the residual value of an asset increases to an amount equal to or greater than the asset's carrying amount, no depreciation charge is recognised till the asset's residual value decreases below the asset's carrying amount. Depreciation of an asset begins when it is available for use, i.e., when it is in the location and condition necessary for it to be capable of operating in the intended manner. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale in accordance with IND AS 105 and the date that the asset is derecognised.

Description of the Asset	Estimated Useful Life
Tangible:	
Building – Factory	30 Years
Other than factory buildings	60 Years
Plant and Equipment	5-20 Years
Furniture and Fixtures	10 Years
Computer Servers	6 Years
Computers	3 Years
Office Equipment	5 Years
Other Assets, viz., Air Conditioners	5 Years
Vehicles	8 Years

Depreciation on the property, plant and equipment, is provided over the useful life of assets based on management estimates which is in line with the useful life indicated in Schedule II to the Companies Act, 2013 except Plant and Machinery, Lab equipments and Electrical Installations which are depreciated based on management estimate of the useful life of the assets, and is after considering the nature of the asset, the usage of the asset, expected physical wear and tear, the operating conditions of the asset and anticipated technological changes. Depreciation on all assets is provided on straight line basis.

Depreciation on property plant and equipment added/ disposed off during the year is provided on pro rata basis with reference to the date of addition/disposal.

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate"

2 Research and Development Assets

The Group undertakes Research and Development activities for development of new and improved products. All expenditure incurred during Research and Development are analysed into research phase and development phase. The Group recognises all expenditure incurred during the research phase in the profit or loss whereas the expenditure incurred in development phase are presented as Capital Work in Progress till the time they are available for use in the manner intended at which moment they are treated as Property, Plant and Equipment and depreciated over their estimated useful life. Revenue expenditure on Research and Development is recognized as an expense in the period in which it is incurred.

3 Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. After initial recognition,

Notes to the Consolidated Financial Statements

As at 31 March 2023

intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Technical Know-how acquired separately is treated as intangible assets and amortised over a period of 10 years on straight-line method over the estimated useful economic life.

Software (not being an integral part of the related hardware) acquired for internal use are treated as intangible assets and is amortised over a period of 6 years on straight-line method over the estimated useful economic life.

An item of Intangible asset is derecognised on disposal or when no future economic benefits are expected from its use or disposal. Any profit or loss arising from derecognition 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.

4 Impairment of tangible (PPE) and intangible assets

At the end of each reporting period, the Group reviews the carrying amounts of its PPE and other intangible assets to determine whether there is any indication that these assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit (CGU) to which the asset belongs. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The resulting impairment loss is recognised in the Statement of Profit and Loss

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Where an impairment loss subsequently reverses, the carrying amount of the asset or CGU is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset or CGU in prior years. A reversal of an impairment loss is recognised in the Statement of Profit and Loss.

5 Inventories

Raw materials, components, stores and spares are valued at lower of cost and net realizable value. However materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials, components and stores and spares is determined on a first in first out (FIFO) method.

Work-in-progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity.

Goods and materials in transit include materials, duties and taxes (other than those subsequently recoverable from tax authorities) labour cost and other related overheads incurred in bringing the inventories to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

The amount of any write-down of inventories to NRV and all abnormal losses of inventories are recognized as expense in the Statement of Profit and Loss in the period in which such write-down or loss occurs. The amount of any reversal of the write-down of inventories arising from increase in the NRV is recognized as a reduction from the amount of inventories recognized as an expense in the period in which reversal occurs.

6 Lease

Where the Group is a Lessee -

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

Notes to the Consolidated Financial Statements

As at 31 March 2023

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 recognizes 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 recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Lease liability is measured by discounting the lease payments using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rate.

Lease payments are allocated between principal and finance cost. The finance cost is charged to statement of profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

The ROU assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payment made at or prior to the commencement date of the lease plus any initial direct cost less any lease incentives and restoration cost. They are subsequently measured at cost less accumulated depreciation and inpaired losses, if any. ROU assets are depreciated on a straight line basis over the asset's useful life or the lease whichever is shorter. Impairment of ROU assets is in accordance with the Group's accounting policy for impairement of tangible and intangible assets.

Where the Group is a Lessor -

Lease income from operating leases where the Group is a lessor is recognised in the statement of profit and loss on a straight line basis over the lease term.

7 Government Grants

Grants and subsidies from the government are recognised when there is reasonable assurance that (i) the Group will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

Grants in the form of non-monetary assets are recognised at fair value and presented as deferred income which is recognized in the Statement of Profit and Loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset.

Government grants (grants related to income) are recognized as income over the periods necessary to match them with the costs for which they are intended to compensate on a systematic basis. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of providing immediate financial support with no future related costs are recognized in the Statement of Profit and Loss in the period in which they become receivable. Grants related to income are presented under other income in the Statement of Profit and Loss except for grants received in the form of rebate or exemption which are deducted in reporting the related expense.

Grant/subsidy receivable against against a specific Property, Plant and Equipment is deducted from the cost of the relevant Property, Plant and Equipment.

8 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when there is a present legal or constructive obligation as a result of a past event and it is probable (i.e. more likely than not) that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Such provisions are determined based on management estimate of the amount required to settle the obligation at the balance sheet date. When the Group expects some or all of a provision to be reimbursed, the reimbursement is recognised as a standalone asset only when the reimbursement is virtually certain.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance costs.

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist when a contract under which the unavoidable costs of meeting the obligations exceed the economic benefits expected to be received from it.

Notes to the Consolidated Financial Statements

As at 31 March 2023

Contingent liabilities are disclosed on the basis of judgment of management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

Contingent Assets are not recognized, however, disclosed in financial statement when inflow of economic benefits is probable.

9 Foreign Currency Transactions

The financial statements of Group are presented in INR, which is also the functional currency. In preparing the financial statements, transactions in currencies other than the entity's functional currency 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 translated at the rates prevailing at that date. Non-monetary items denominated in foreign currency are reported at the exchange rate ruling on the date of transaction.

10 Share capital and Securities Premium

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction net of tax from the proceeds. Par value of the equity share is recorded as share capital and the amount received in excess of the par value is classified as securities premium

11 Dividend Distribution to equity shareholders

The Group recognizes a liability to make cash distributions to equity holders when the distribution is authorized and the distribution is no longer at the discretion of the Group. A distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in other equity along with any tax thereon.

12 Statement of Cash Flows and Cash and Cash Equivalents

Statement of cash flows is prepared in accordance with the indirect method prescribed in the relevant IND AS. For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, cheques and drafts on hand, deposits held with Banks, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and book overdrafts. However, Book overdrafts are to be shown within borrowings in current liabilities in the balance sheet for the purpose of presentation.

13 Revenue Recognition and Other Income

The Group derives revenues primarily from sale of goods comprising of speciality chemicals.

The following is a summary of significant accounting policies related to revenue recognition:

Revenue from contract with customers is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Group expects to receive in exchange for those products or services.

Revenue from the sale of goods is recognised at the point in time when control is transferred to the customer.

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 turnover/product/prompt payment discounts and schemes offered by the company as part of the contract with the customers. When the level of discount varies with increase in levels of revenue transactions, the Group recognises the liability based on its estimate of the customer's future purchases. The Group recognises changes in the estimated amounts of obligations for discounts in the period in which the change occurs. Revenue also excludes taxes collected from customers

Revenue in excess of invoicing are classified as contract assets while invoicing in excess of revenues are classified as contract liabilities

Use of significant judgements in revenue recognition

- Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of consideration or variable consideration with elements such as turnover discounts. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is

Notes to the Consolidated Financial Statements

As at 31 March 2023

adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period.

The Group exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Group considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

Sale of scrap is accounted for as and when the sale is completed and its collection is reasonably certain.

Export incentives are recognised as income of the year on accrual basis. In case of utilisation for Import purpose the same is recognised as raw material cost in the year of import.

Dividend Income is accounted for when the right to receive the same is established, which is generally when shareholders approve the dividend.

Interest Income on financial assets measured at amortised cost is recognised on a time-proportion basis using the effective interest method.

14 Borrowing costs

Borrowing cost includes interest, commitment charges, brokerage, underwriting costs, discounts / premiums, financing charges, exchange difference to the extent they are regarded as interest costs and all ancillary / incidental costs incurred in connection with the arrangement of borrowing.

Borrowing costs which are directly attributable to acquisition / construction of qualifying assets that necessarily takes a substantial period of time to get ready for its intended use are capitalized as a part of cost pertaining to those assets. All other borrowing costs are recognised as expense in the period in which they are incurred.

The Group identifies the borrowings into specific borrowings and general borrowings. Specific borrowings are borrowings that are specifically taken for the purpose of obtaining a qualifying asset. Borrowing cost incurred on specific borrowings are capitalised to the cost of the qualifying asset. For general borrowings, the Group determines the amount of borrowing costs eligible for capitalisation by applying a capitalisation rate to the expenditures on the qualifying asset based on the weighted average of the borrowing costs applicable to general borrowings. The capitalisation on borrowing costs commences when the Group incurs expenditure for the asset, incurs borrowing cost and undertakes activities that are necessary to prepare the asset for its intended use or sale. The capitalisation of borrowing costs is suspended during extended periods in which active development of a qualifying asset is suspended. The capitalisation of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

15 Employee Benefits

Short-term Employees Benefits

All employee benefits payable wholly within twelve months of rendering services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., are recognized during the period in which the employee renders related services and are measured at undiscounted amount expected to be paid when the liabilities are settled.

Post-employment benefits

The Group provides the following post-employment benefits:

i) Defined benefit plans such as gratuity and

ii) Defined Contribution plans such as provident fund & national pension scheme

Defined benefits plans

The cost of providing defined benefit plans such as gratuity is determined on the basis of present value of defined benefits obligation which is computed using the projected unit credit method with independent actuarial valuation made at the end of each annual reporting period, which recognizes each period of service as given rise to additional unit of employees benefit entitlement and measuring each unit separately to build up the final obligation.

Notes to the Consolidated Financial Statements

As at 31 March 2023

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

Re-measurements comprising of actuarial gains and losses arising from experience adjustments and change in actuarial assumptions, the effect of change in assets ceiling (if applicable) and the return on plan asset (excluding net interest as defined above) are recognised in other comprehensive income (OCI) except those included in cost of assets as permitted in the period in which they occur. Re-measurements are not reclassified to the Statement of Profit and Loss in subsequent periods.

Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements) is recognised in the Statement of Profit and Loss except those included in cost of assets as permitted in the period in which they occur.

Defined Contribution Plans

Payments to defined contribution retirement benefit plans, viz., Provident Fund and National Pension Fund for eligible employees are recognized as an expense when employees have rendered the service entitling them to the contribution.

16 Income Taxes

Income tax expense represents the sum of tax currently payable and deferred tax. Tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised directly in equity or in other comprehensive income

Current tax

Current tax is the expected tax payable/ receivable on the taxable income/ loss for the year using applicable tax rates for the relevant period, and any adjustment to taxes in respect of previous years. Interest expenses and penalties, if any, related to income tax are included in finance cost and other expenses respectively. Interest Income, if any, related to Income tax is included in Other Income

Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the balance sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences, unabsorbed losses and unabsorbed depreciation to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, unabsorbed losses and unabsorbed depreciation can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

17 Earnings per Share:

Basic earnings per share is calculated by dividing the profit from continuing operations and total profit, both attributable to equity shareholders of the Group by the weighted average number of equity shares outstanding during the year.

Notes to the Consolidated Financial Statements

As at 31 March 2023

18 Current versus non-current classification

The Group presents assets and liabilities in the Balance Sheet based on current/non-current classification.

a) An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in the normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

b) A liability is current when:

- It is expected to be settled in the normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

c) Deferred tax assets and liabilities are classified as non-current assets and liabilities.

d) The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents.

19 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of asset and liability if market participants would take those into consideration. Fair value for measurement and / or disclosure purposes in these Financial Statements is determined on such basis except for transactions in the scope of Ind AS 2, 17 and 36. Normally at initial recognition, the transaction price is the best evidence of fair value.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques those are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All financial assets and financial liabilities for which fair value is measured or disclosed in the Financial Statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Financial assets and financial liabilities that are recognized at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period.

20 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The Group recognizes a financial asset or financial liability in its balance sheet only when the entity becomes party to the contractual provisions of the instrument.

Notes to the Consolidated Financial Statements

As at 31 March 2023

a) Financial Assets

A financial asset inter-alia includes any asset that is cash, equity instrument of another entity or contractual obligation to receive cash or another financial asset or to exchange financial asset or financial liability under condition that are potentially favourable to the Group.

Financial assets of the Group comprise trade receivable, cash and cash equivalents, Bank balances, Investments in equity shares of companies ,investment other than equity shares, loans to employee / others, security deposit etc.

Initial recognition and measurement

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, transaction costs that are attributable to the acquisition of the financial asset. However, Trade receivables that do not contain a significant financing component are measured at Transaction Price. Transaction costs of financial assets carried at fair value through profit or loss are expensed in Statement of Profit and Loss. Where transaction price is not the measure of fair value and fair value is determined using a valuation method that uses data from observable market, the difference between transaction price and fair value is recognised in Statement of Profit and Loss on the date of recognition if the fair value pertains to Level 1 or Level 2 of the fair value hierarchy and in other cases spread over life of the financial instrument using effective interest method.

The Group measures the trade receivables at their transaction price, if the trade receivables do not contain a significant financing component.

Subsequent measurement

For purposes of subsequent measurement financial assets are classified in three categories:

- Financial assets measured at amortized cost
- Financial assets at fair value through OCI
- Financial assets at fair value through profit or loss

Financial assets measured at amortized cost

Financial assets are measured at amortized cost if the financials asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These financials assets are amortized using the effective interest rate ('EIR') method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognized in the Statement of Profit and Loss

Financial assets at fair value through OCI ('FVTOCI')

Financial assets are measured at fair value through other comprehensive income if the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. At initial recognition, an irrevocable election is made (on an instrument-by-instrument basis) to designate investments in equity instruments other than held for trading purpose at FVTOCI. Fair value changes are recognized in the other comprehensive income ('OCI'). However, the Group recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the financial asset other than equity instruments designated as FVTOCI, cumulative gain or loss previously recognised in OCI is reclassified to the Statement of Profit and Loss.

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

Any financial asset that does not meet the criteria for classification as at amortized cost or as financial assets at fair value through other comprehensive income is classified as financial assets at fair value through profit or loss. Further, financial assets

Notes to the Consolidated Financial Statements

As at 31 March 2023

at fair value through profit or loss also include financial assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets at fair value through profit or loss are fair valued at each reporting date with all the changes recognized in the Statement of Profit and Loss.

Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the financial asset, the Group recognizes its retained interest in the asset and an associated liability for amounts it may have to pay.

Impairment of financial assets

The Group assesses impairment based on expected credit loss ('ECL') model on the following:

- Financial assets that are measured at amortised cost; and
- Financial assets measured at FVTOCI.

ECL is measured through a loss allowance on a following basis:-

- The 12 month expected credit losses (expected credit losses that result from those default events on the financial instruments that are possible within 12 months after the reporting date)
- Full life time expected credit losses (expected credit losses that result from all possible default events over the life of financial instruments)

The Group follows 'simplified approach' for recognition of impairment on trade receivables or contract assets resulting from normal business transactions. The application of simplified approach does not require the Group to track changes in credit risk. However, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, from the date of initial recognition.

For recognition of impairment loss on other financial assets, the Group determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has increased significantly, lifetime ECL is provided. For assessing increase in credit risk and impairment loss, the Group assesses the credit risk characteristics on instrument-by-instrument basis.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all cash shortfalls) discounted at the original EIR.

Impairment loss allowance (or reversal) recognized during the period is recognized as expense/income in the Statement of Profit and Loss.

b) Financial Liabilities

The Group's financial liabilities include loans and borrowings including bank overdraft, trade payable, accrued expenses and other payables etc.

Initial recognition and measurement

All financial liabilities at initial recognition are classified as financial liabilities at amortized cost or financial liabilities at fair value through profit or loss, as appropriate. All financial liabilities classified at amortized cost are recognized initially at fair value net of directly attributable transaction costs. Any difference between the proceeds (net of transaction costs) and the fair value at initial recognition is recognised in the Statement of Profit and Loss or in the CWIP, if another standard permits inclusion of such cost in the carrying amount of an asset over the period of the borrowings using the Effective interest rate ('EIR') method.

Subsequent measurement

The subsequent measurement of financial liabilities depends upon the classification as described below:-

Notes to the Consolidated Financial Statements

As at 31 March 2023

Financial Liabilities classified as Amortised Cost

Financial Liabilities that are not held for trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. Interest expense that is not capitalized as part of costs of assets is included as Finance costs in the Statement of Profit and Loss.

Financial Liabilities classified as Fair value through profit and loss (FVTPL)

Financial liabilities classified as FVTPL includes financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Financial liabilities designated upon initial recognition at FVTPL only if the criteria in Ind AS 109 is satisfied.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged / cancelled / expired. 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 a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

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.

Derivatives

Derivative instruments are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged and the type of hedge relationship designated. The resulting gain or loss is recognised in the Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument and is recognised in Other Comprehensive Income (OCI).

D Ministry of Corporate Affairs (MCA) vide notification dated 24th March 2021, has amended Schedule III to the Companies Act, 2013 to enhance the disclosure requirements in financial statements. The financial statements have been prepared after incorporating the amendments to the extent they are applicable

E Recent accounting pronouncements

The Ministry of Corporate Affairs (MCA) on 31st March 2023 through Companies (Indian Accounting Standards) Amendment Rules, 2023 has notified the following amendments to IND AS which are applicable for the annual periods beginning on or after 1st April, 2023

IND AS 1 – Presentation of Financial Statements

This amendment requires the Group to disclose its material accounting policies rather than their significant accounting policies. The Group will carry out a detailed review of accounting policies to determine material accounting policy information to be disclosed going forward. The Group does not expect this amendment to have any material impact in its financial statements

IND AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

This amendment has changed the definition of a "change in accounting estimates" to a definition of "accounting estimates". The amendment clarifies how companies should distinguish changes in accounting policies from changes in accounting estimates. The Group does not expect this amendment to have any material impact in its financial statements

IND AS 12 – Income Taxes

This amendment has done away with the recognition exemption on initial recognition of assets and liabilities that give rise to equal and offsetting temporary differences. The Group does not expect this amendment to have any material impact in its financial statements

Notes to the Consolidated Financial Statements

As at 31 March 2023

Note 2 (a) Property, Plant and Equipment

(₹ in Lakhs)

	Freehold Land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Computers	Air Conditioners	Total
Gross Block									
At cost as at 31 March 2021	**113.71**	**24,108.01**	**64,826.22**	**501.16**	**245.69**	**39.30**	**61.18**	**56.32**	**89,951.59**
Additions	326.99	1,593.44	14,072.24	8.58	71.00	0.85	36.32	2.91	16,112.33
Disposals /adjustments			-0.33	-	-31.25	-	-	-0.31	-31.89
At cost as at 31 March 2022	440.70	25,701.45	78,898.13	509.74	285.44	40.15	97.50	58.92	1,06,032.03
Additions	193.61	1,113.35	4,610.17	38.60	49.32	1.25	40.55	14.35	6,061.19
Disposals /adjustments			(0.06)	(2.64)	(4.69)	-	(0.10)	-	-7.48
At cost as at 31 March 2023	634.31	26,814.80	83,508.25	545.70	330.07	41.40	137.96	73.27	1,12,085.74
Depreciation Block									
Accumulated depreciation / amortisation as at 31 March 2021	**-**	**2,665.21**	**11,215.80**	**256.28**	**139.18**	**28.59**	**43.12**	**37.92**	**14,386.10**
Depreciation / Amortisation for the year		723.86	3,648.17	51.80	26.45	3.04	9.15	4.97	4,467.44
Disposals /adjustments		-			-15.04				-15.04
Accumulated depreciation / amortisation as at 31 March 2022	**-**	**3,389.07**	**14,863.97**	**308.08**	**150.62**	**31.63**	**52.27**	**42.89**	**18,838.50**
Depreciation / Amortisation for the year		783.75	4,255.44	49.68	30.30	1.93	18.32	4.89	5,144.33
Disposals /adjustments		-		(2.31)	(3.52)				-5.84
Accumulated depreciation / Amortisation as at the 31 March 2023	**-**	**4,172.82**	**19,119.41**	**355.45**	**177.40**	**33.56**	**70.59**	**47.78**	**23,976.99**
Net Block									
As at 31 March 2021	**113.71**	**21,442.80**	**53,610.42**	**244.88**	**106.51**	**10.71**	**18.06**	**18.40**	**75,565.49**
As at 31 March 2022	**440.70**	**22,312.38**	**64,034.16**	**201.66**	**134.82**	**8.52**	**45.23**	**16.03**	**87,193.53**
As at 31 March 2023	**634.31**	**22,641.98**	**64,388.84**	**190.24**	**152.67**	**7.83**	**67.36**	**25.48**	**88,108.75**

Notes to the Consolidated Financial Statements

As at 31 March 2023

Note 2 (b). Capital Work-in-Progress

(₹ in Lakhs)

Particulars	Buildings	Plant and equipment	Total
At cost as at 31 March 2021	**221.70**	**5,247.33**	**5,469.03**
Add: Additions	3172.29	12,115.73	15,288.02
Less: Capitalised during the year	(1,593.44)	(14,016.05)	(15,609.49)
At cost as at 31 March 2022	**1,800.55**	**3,347.01**	**5,147.56**
Add: Additions	16,003.06	8,164.15	24,167.21
Less: Project expenses w/off	-	(224.94)	-224.94
Less: Capitalised during the year	**(1,113.35)**	**(4,508.36)**	**(5,621.71)**
At cost as at 31 March 2023	**16,690.27**	**6,777.85**	**23,468.12**

Notes:

i. Title deeds of Freehold Land are held in the name of the Company. Title deeds in respect of Buildings on immovable properties which are constructed on company's Freehold/Leasehold Land is based on documents consituting evidence of legal ownership of the Buildings.

ii. During the year, the company has capitalised the following expenses of revenue nature to the cost of Property, Plant and Equipment/Capital Work-In-Progress;

Note 2 (c) Intangibles

(₹ in Lakhs)

	Computer Software	Technical Know How	Total
Gross Block			
At cost as at 31 March 2021	**123.70**	**453.50**	**577.20**
Additions	36.41	50.00	86.41
Disposals /adjustments	-	-	-
At cost as at 31 March 2022	160.11	503.50	663.61
Additions	15.89	-	15.89
Disposals /adjustments	-	-	-
At cost as at 31 March 2023	176.00	503.50	679.50
Depreciation Block			
Accumulated depreciation / amortisation as at 31 March 2021	**105.91**	**353.31**	**459.22**
Depreciation / Amortisation for the year	8.58	72.61	81.19
Disposals /adjustments	-	-	-
Accumulated depreciation / amortisation as at 31 March 2022	**114.49**	**425.92**	**540.41**
Depreciation / Amortisation for the year	13.58	36.01	49.59
Disposals /adjustments	-	-	-
Accumulated depreciation / Amortisation as at the 31 March 2023	**128.07**	**461.93**	**590.00**
Net Block			
As at 31 March 2021	**17.79**	**100.19**	**117.98**
As at 31 March 2022	**45.62**	**77.58**	**123.20**
As at 31 March 2023	**47.93**	**41.57**	**89.50**

Notes to the Consolidated Financial Statements

As at 31 March 2023

(₹ in Lakhs)

Particulars	31-Mar-23	31-Mar-22
Engineering Fees	1,279.34	672.15
Borrowing Cost	-	5.03
Legal and Professional Charges	45.07	49.34
Travelling Expenses	4.08	0.83
Rates & Taxes	30.93	95.55
Insurance Charges	6.80	7.71
Others	29.39	26.12
	1,395.61	**856.73**

CWIP aging schedule

As at 31 March 2023

(₹ in Lakhs)

CWIP	Amount in CWIP for a period of					
	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	Total
Projects in progress	12,824.04	6,665.99	3,097.14	830.75	50.20	23,468.12
Projects temporarily suspended						-
Total	**12,824.04**	**6,665.99**	**3,097.14**	**830.75**	**50.20**	**23,468.12**

CWIP aging schedule

As at 31 March 2022

(₹ in Lakhs)

OTHER EQUITY	Reserves and Surplus					
	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	Total
Projects in progress	3,135.06	838.34	869.86	73.36	6.00	4,922.62
Projects temporarily suspended					224.94	224.94
Total	**3,135.06**	**838.34**	**869.86**	**73.36**	**230.94**	**5,147.56**

Note:

There were no material projects which have exceeded their original planned cost and timelines.

Notes to the Consolidated Financial Statements

As at 31 March 2023

Note 3 Investments

(₹ in Lakhs)

	Non Current		Current	
	As at 31 March 2023	As at 31 March, 2022	As at 31 March 2023	As at 31 March, 2022
Investment Infrastructure Trust (at fair value through Profit or Loss), Quoted - Non Trade				
10,82,400(P.Y. 10,82,400) Units of Power Grid Infrastucture Investment Trust Limited of Face Value of ₹ 100 each fully paid up	1,327.24	1,454.53		
3,72,519(P.Y. 3,72,519) Units of India Grid Infrastucture Investment Trust of Face Value of ₹ 100 each fully paid up	499.21	550.02		
Fully paid up - Quoted - Non Trade				
i) In Exchange Traded Funds (at fair value through Profit or Loss)	-	1,432.22		
ii) In Non Convertible Debentures: (at fair value through Profit or Loss)	-	1,074.18	-	
iii) In Non Convertible Debentures: (at Amortised Cost)			7,443.92	
Fully paid up - Unquoted - Non Trade				
i) In Mutual Fund Units: (at fair value through Profit or Loss)				
Income Plan: Growth Option	-	4,328.98	11,954.79	11.58
ii) In Alternate Investment Funds (at fair value through Profit or Loss)	1,509.13	509.77		-
Total	**3,335.58**	**9,349.70**	**19,398.71**	**11.58**
Aggregate amount of quoted investment and net asset value	3,335.58	9,349.70	11,954.79	11.58
Aggregate amount of unquoted investment	-	-	7,443.92	-

Note 4 Loans (Unsecured, considered good)

(₹ in Lakhs)

	Non Current		Current	
	As at 31 March 2023	As at 31 March, 2022	As at 31 March 2023	As at 31 March, 2022
Carried at Amortised cost :				
Loans to related parties	32,853.90	25,234.40		
Loans and Advances to employees			0.18	28.68
Total	**32,853.90**	**25,234.40**	**0.18**	**28.68**

Notes to the Consolidated Financial Statements

As at 31 March 2023

Note 5 Other Financial Assets

(₹ in Lakhs)

	Non Current		Current	
	As at 31 March 2023	As at 31 March, 2022	As at 31 March 2023	As at 31 March, 2022
Carried at Amortised cost :				
Bank deposits with more than 12 months maturity (excludes Interest accrued and due ₹ Nil, Previous year ₹ Nil)	85.52	142.41		
Others;				
Security Deposits	74.07	66.31		
Interest Accrued on Loans and Deposits			2,966.88	1,160.33
Interest Accrued but not due on Investmant			58.25	-
Export Benefits receivables			123.98	367.48
Others			26.07	1,213.22
Total	**159.59**	**208.72**	**3,175.18**	**2,741.03**

Note 6 Other Assets

(₹ in Lakhs)

	Non Current		Current	
	As at 31 March 2023	As at 31 March, 2022	As at 31 March 2023	As at 31 March, 2022
Capital Advances	6,239.28	3,051.58		
Advances other than capital advances;				
Security Deposits	-	-	776.93	869.86
Advances to suppliers			2,883.56	3,326.23
Sub Total	**6,239.28**	**3,051.58**	**3,660.49**	**4,196.09**
Others				
Balance with Statutory authorities			4,594.58	4,608.98
Advances recoverable in cash or kind			12.73	275.99
Prepaid Expenses	1,066.69	1,067.18	100.02	108.26
Sub Total	**1,066.69**	**1,067.18**	**4,707.33**	**4,993.23**
Total	**7,305.97**	**4,118.76**	**8,367.82**	**9,189.32**

Note 7 Inventories

(₹ in Lakhs)

	As at 31 March 2023	As at 31 March, 2022
(Valued at lower of Cost and Net Realisable Value)		
Raw Materials	3,531.18	2,447.37
Raw Materials in transit	3,313.93	3,850.60
Work-in-progress	2,184.84	3,015.09
Finished goods	3,784.29	2,446.43
Stores and spares	6,280.60	5,856.39
Total	**19,094.84**	**17,615.88**

Notes to the Consolidated Financial Statements

As at 31 March 2023

Note	As at 31 March 2023	As at 31 March, 2022
1. The amount of write-down of inventories to net realizable value recognized as an expense	9.41	-
2. The cost of inventories recognised as an expense during the year	1,14,651.24	90,846.55

Note 8 Trade Receivables

(₹ in Lakhs)

Particulars	As at 31 March 2023	As at 31 March, 2022
Trade receivables		
Secured, Considered good	6,673.68	3,195.28
Unsecured Considered good	40,284.51	42,642.83
Trade Receivables - credit impaired	79.03	110.43
Less: Allowance for bad and doubtful debts	-79.03	-110.43
Total	**46,958.19**	**45,838.11**

Note: The Company has used a practical expedient for computing expected credit loss allowance for trade receivables, taking into account historical credit loss experience and accordingly, provisions are made for expected credit loss for amounts due from customers where necessary.

Trade Receivables ageing schedule

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment						As at 31 March 2023
	Not Due	Less than 6 months	6 months -1 year	1-2 Years	2-3 Years	More than 3 Years	
Undisputed Trade receivables — considered good	34,341.95	12,597.38	1.97	16.89	-	-	46,958.19
Disputed Trade Receivables — credit impaired			-	21.55	48.96	8.52	79.03

Trade Receivables ageing schedule

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment						As at 31 March 2022
	Not Due	Less than 6 months	6 months -1 year	1-2 Years	2-3 Years	More than 3 Years	
Undisputed Trade receivables — considered good	31,943.68	13,820.79	7.65	64.22	1.77	-	45,838.11
Disputed Trade Receivables — credit impaired			14.13	87.78	-	8.52	110.43

Notes to the Consolidated Financial Statements

As at 31 March 2023

Note 9 CASH AND CASH EQUIVALENTS (as per Cash Flow Statement)

(₹ in Lakhs)

Particulars	As at 31 March 2023	As at 31 March, 2022
Balances with Banks		
'- In Current accounts	562.60	93.85
Cash on hand	1.83	1.29
Total	**564.43**	**95.14**

Note 10 Bank Balances other than Cash and Cash Equivalents

(₹ in Lakhs)

Particulars	As at 31 March 2023	As at 31 March, 2022
Deposits with original maturity of more than 3 months but less then 12 months	167.66	104.88
Others:		
Unspent CSR Account	234.42	18.08
Unclaimed Dividend Account	190.94	211.52
Total	**593.02**	**334.48**

Note 11 Other Financial Liabilities

(₹ in Lakhs)

	Non Current		Current	
	As at 31 March 2023	As at 31 March, 2022	As at 31 March 2023	As at 31 March, 2022
Unclaimed dividends			190.94	211.52
Carried at Amortised Cost :				
Others :				
Retention Money	72.43	46.25		
Security Deposit	612.77	399.75	138.14	147.37
Liabilities for expenses			477.00	382.80
Total	**685.20**	**446.00**	**806.08**	**741.69**

Note 12 Deferred Tax Liabilities - (Net)

(₹ in Lakhs)

Particulars	As at 31 March 2023	As at 31 March, 2022
Deferred Tax Liabilities (Net);		
- Arising on account of difference in carrying amount and tax base of PPE and Intangibles	10,232.08	8,920.66
- Unrealised gain/(loss) on FVTPL debt Mutual Funds and equity instruments	71.57	170.18
Deferred Tax Asset:		
- Accrued Expenses allowable on Actual Payments	(95.73)	(88.65)
Total	**10,207.92**	**9,002.19**

Notes to the Consolidated Financial Statements

As at 31 March 2023

Note 13 Borrowings

(₹ in Lakhs)

Particulars	As at 31 March 2023	As at 31 March, 2022
Secured (At amortised cost)		
Loans repayable on demand		
- from banks	20.10	1,839.89
Total	**20.10**	**1,839.89**

A. Nature of Borrowings

Working Capital Advances from Banks	Interest rate
Loans repayable on demand is secured by hypothecation of inventories, all the present and future book debts and other receivables, first charge on all present and future Property, Plant And Equipment at Mahad Works and residential buidling at Mahad and second charge on all property,plant And equipment situated at Lote Works.	Rupee Loan carries interest ranging from 8.00% to 9.25% (Previous Year 5.00% to 8.55% .)

Note 14 Trade Payables

(₹ in Lakhs)

Particulars	As at 31 March 2023	As at 31 March, 2022
Outstanding due of Micro and Small Enterprises	146.13	480.56
Outstanding due of Creditors other than Micro and Small Enterprises	11,667.72	10,458.83
Total	**11,813.85**	**10,939.39**
Of the above;		
- Acceptances	660.46	317.42

Disclosures under The Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED'):

The details of liabilities to Micro and Small Enterprises, to the extent information available with the Company are given under and have been relied upon by the auditors:

(₹ in Lakhs)

	As at 31 March 2023	As at 31 March, 2022
Principal amounts remaining unpaid to suppliers as at the end of the accounting year	146.13	480.56

Note: Other information/ disclosures relating to payments made beyond appointed date, interest accrued And paid and cumulative intrest are not applicable, being NIL.

Notes to the Consolidated Financial Statements

As at 31 March 2023

Trade Payables aging schedule

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment		As at 31 March 2023
	Not due	Less than 1 year	
i) MSME	97.84	48.29	146.13
(ii) Others	7,044.63	4,623.09	11,667.72
Total	7,142.47	4,671.38	**11,813.85**

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment		As at 31 March 2022
	Not due	Less than 1 year	
i) MSME	247.47	233.09	480.56
(ii) Others	3,065.73	7,392.99	10,458.72
Total	3,313.20	7,626.08	**10,939.28**

Note 15 Other Current Liabilities

(₹ in Lakhs)

	As at 31 March 2023	As at 31 March, 2022
Contract Liabilities	301.11	82.60
Others;		
Security Deposit	3,323.89	-
Statutory Dues	531.05	432.05
Liabilities for expenses	1,201.62	1,567.10
Others	2,528.70	530.27
Total	**7,886.37**	**2,612.02**

During the year ended 31 March 2023, the Group recognised revenue of ₹ 82.60 Lakhs (Previous year ₹ 47.73 Lakhs) arising from opening unearned revenue (contract liabilities).

Movement of contract liabilities is as under ;

(₹ in Lakhs)

	As at 31 March 2023	As at 31 March, 2022
As at beginning of the year	82.60	47.73
Recognised as revenue from contracts with customers	(13,912.48)	(10,324.81)
Advance from customers received during the year	14,130.99	10,359.68
Balance at the close of the year	**301.11**	**82.60**

Notes to the Consolidated Financial Statements

As at 31 March 2023

Note 16 Provisions

(₹ in Lakhs)

	As at 31 March 2023	As at 31 March, 2022
Provision for employee benefits (Refer Note 28(g)		
- Gratuity	129.14	184.35
- Leave Encashment	377.19	352.23
Total	**506.33**	**536.58**

Note 17 Provisions

(₹ in Lakhs)

	Year Ended 31 March 2023	Year Ended 31 March, 2022
Sale Of Products	2,07,703.84	1,61,263.31
Other Operating Revenues:		
Export Incentives	665.33	118.91
Scrap Sales	101.38	168.96
Total	**2,08,470.55**	**1,61,551.18**

The management determines that the segment information reported is sufficient to meet the disclosure objective with respect to disaggregation of revenue under Ind AS 115 Revenue from contract with Customers. Hence, no seperate disclosures of disaggregated revenues are reported.

Reconciliation of revenue recognised with the contracted price is as follows:

(₹ in Lakhs)

	Year Ended 31 March 2023	Year Ended 31 March, 2022
Gross Sales (Contracted Price)	2,19,696.60	1,74,579.91
Reductions towards variable consideration (Turnover discount, Other Expenses)	(11,992.76)	(13,316.60)
Revenue recognised	**2,07,703.84**	**1,61,263.31**

Note 18 Other Income

(₹ in Lakhs)

	Year Ended 31 March 2023	Year Ended 31 March, 2022
Interest Income	2,219.77	1,366.40
Dividend Income from Non Current Investment	36.58	31.44
Net gain on sale of Investments classified as FVTPL	555.09	695.24
Net gains/(losses) on fair value changes on financial assets classified as FVTPL	-	1,072.31
Gain on Foreign Exchange Translations	3,804.16	2,744.05
Other Non-Operating Income;		
Miscellaneous Income	627.12	181.77
Total	**7,242.72**	**6,091.21**

Notes to the Consolidated Financial Statements

As at 31 March 2023

Net gains (losses) on fair value changes

(₹ in Lakhs)

	Year Ended 31 March 2023	Year Ended 31 March, 2022
Debt Mutual Fund Investments designated at FVTPL	133.80	0.01
Debt Investments designated at FVTPL	-	690.40
Other Financial Instruments classified at FVTPL	(233.68)	381.90
Total Net gains (Losses) on fair value changes	**(99.88)**	**1,072.31**

Note 19 Cost of Materials consumed

(₹ in Lakhs)

	Year Ended 31 March 2023	Year Ended 31 March, 2022
Opening Stock of Raw Materials	6,297.97	3,244.37
Purchases during the year	1,09,403.35	88,585.63
Closing Stock of Raw Materials	(6,845.11)	(6,297.97)
Total	**1,08,856.21**	**85,532.03**

Note 20 Changes In Inventories Of Finished Goods And Work-In-Progress

(₹ in Lakhs)

	Year Ended 31 March 2023	Year Ended 31 March, 2022
Closing Stock:		
Finished Goods	3,784.29	2,446.43
Work-in-Progress	2,184.84	3,015.09
	5,969.13	**5,461.52**
Less: Opening Stock:		
Finished Goods	2,446.43	3,466.55
Work-in-Progress	3,015.09	1,953.99
	5,461.52	**5,420.54**
Total	**(507.61)**	**(40.98)**

Note 21 Employee Benefits Expense

(₹ in Lakhs)

	Year Ended 31 March 2023	Year Ended 31 March, 2022
Salaries and Wages	8,263.37	7,453.37
Contribution to provident, gratuity and other funds	768.24	679.80
Staff welfare expenses	290.47	265.37
Total	**9,322.08**	**8,398.54**

Notes to the Consolidated Financial Statements

As at 31 March 2023

Note 22 Finance Costs

(₹ in Lakhs)

	Year Ended 31 March 2023	Year Ended 31 March, 2022
Interest		
On Working Capital Facilities	6.66	10.18
On Bill Discounting Facilities	43.15	15.50
On Others	12.91	0.19
Total	**62.72**	**25.87**

Note 23 Depreciation and Amortisation expense

(₹ in Lakhs)

	Year Ended 31 March 2023	Year Ended 31 March, 2022
Depreciation on Property, Plant And Equipment	5,144.33	4,467.44
Amortisation on Intangible Assets	49.59	81.19
	5,193.92	**4,548.63**

Note 24 Other Expenses

(₹ in Lakhs)

	Year Ended 31 March 2023	Year Ended 31 March, 2022
Stores and Spares Consumed	6,302.64	5,355.50
Power and Fuel	15,761.37	11,745.49
Processing Expenses	2,542.09	2,274.94
Rent	46.16	16.89
Rates and Taxes	142.17	113.58
Insurance	727.23	414.96
Printing and Stationery	44.22	30.35
Water Charges	276.88	280.48
Repairs and Renewals:		
Buildings	538.03	141.82
Plant and Machinery	1,032.28	684.75
Other Assets	291.47	89.92
Travelling and Conveyance	294.61	283.73
Communication Expenses	28.44	24.33
Corporate Social Responsibility Expenses (Refer Note 28(e)	806.03	790.20
VAT/GST Paid	650.00	
Provision for Doubtful Debts	-	110.43
Vehicle Expenses	68.11	58.73
Auditors' Remuneration:		
As Auditors:		
Audit fee	9.75	8.75
Other Services	2.00	2.00
	11.75	**10.75**
Cost Auditors Remuneration:		
Audit fee	0.60	0.60
Directors' Fees	12.25	16.25

Notes to the Consolidated Financial Statements

As at 31 March 2023

(₹ in Lakhs)

	Year Ended 31 March 2023	Year Ended 31 March, 2022
Directors' Travelling Expenses	28.23	0.60
Security Expenses	218.48	205.56
Project expenses w/off	224.94	
Net losses on fair value changes on financial assets classified as FVTPL	99.88	-
Commission	265.03	189.69
Bank Charges	107.15	139.35
Miscellaneous Expenses	737.70	693.16
Total	**31,257.74**	**23,672.06**

Note 25

A. Capital Management

For the purpose of Group's Capital Management, capital includes Issued Equity Capital, Securities Premium, and all other Equity Reserves attributable to the Equity Holders of the Group. The primary objective of the Group's Capital Management is to maximise the Share Holder Value.

As at 31 March, 2023, the Group has only one class of equity shares and has no long term debt. Consequent to such capital structure, there are no externally imposed capital requirements. The Group allocates its capital for distribution as dividend or re-investment into business based on its long term financial plans.

B. Financial Risk Management

The Group's principal financial liabilities comprise Short term borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the operations of the Group. The principal financial assets include trade and other receivables, investments in mutual funds and cash and short term deposits.

The Group has assessed market risk, credit risk and liquidity risk to its financial liabilities.

i) Market Risk

Market Risk is the risk of loss of future earnings, fair values or cash flows that may result from a change in the price of a financial instrument, as a result of interest rates, foreign exchange rates and other price risks. Financial instruments affected by market risks, primarily include short term borrowings, investments and foreign currency receivables, payables and borrowings..

Interest Rate Risks

The Group borrows funds in Indian Rupees to meet short term funding requirements. Interest on Short term borrowings is subject to floating interest rate and are repriced regularly. The sensitivity analysis detailed below have been determined based on the exposure to variable interest rates on the outstanding amounts due to bankers over a year.

If the interest rates had been 1% higher / lower and all other variables held constant, the Group's profit for the year ended 31 March 2023 would have been decreased/increased by ₹ 0.20 Lakhs. (PY 2021-22 : ₹ 18.40 Lakhs)

Notes to the Consolidated Financial Statements

As at 31 March 2023

Foreign Currency Risks

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate due to changes in foreign exchange rates. The Group is exposed to foreign exchange risk arising from foreign currency transactions. Foreign exchange risk arises from future commercial transactions and recognised financial assets and liabilities denominated in a currency that is not its functional currency. The exposure to foreign currency risk of the Group at the end of the reporting period expressed is as follows:

Unhedged Short Term Exposures :		Amount (In Million)		(₹ in Lakhs)	
		As at 31 March 2023	As at 31 March, 2022	As at 31 March 2023	As at 31 March, 2022
Financial Assets	USD	28.06	33.75	22,989.46	25,551.52
	EURO	0.85	1.43	761.12	1,206.37
Financial Liabilites	USD	8.68	2.83	7,162.84	2,146.49
	EURO		0.02		14.02
Net exposure	USD	19.38	30.92	15,826.62	23,405.03
	EURO	0.85	1.42	761.12	1,192.35

The Group is mainly exposed to changes in US Dollar. The sensitivity to a 1% increase or decrease in US Dollar against INR with all other variables held constant will be ₹ 158.26 Lakhs (Previous Year - ₹ 234.05 Lakhs)

The Sensitivity analysis is prepared on the net unhedged exposure of the Group at the reporting date.

Derivatives - Forward Contracts

The Group enters into foreign exchange forward contracts with the intention to minimise the foreign exchange risk of firm commitments. The derivative that is either not designated as hedge or is so designated but is ineffective is categorised as a financial asset or liability at fair vale through Profit or Loss.

The outstanding position and exposures are as under :

	Currency	Amount (In Million)	₹ Lakhs	Nature	Cross Currency
Forward Contract (2022-23)	USD	7.69	6,388.76	Export Sales	INR
Forward Contract (2021-22)	USD	7.75	5,904.87	Export Sales	INR

Price Risks

More than two-third of the Group's revenues are generated from exports and the raw materials are procured through import and local purchases where local purchases track import parity price. The Group is affected by the price stability of certain commodities. Due to the significantly increased volatility of certain commodities, the Group enters into contract with the customers that has provision to pass on the change in the raw material prices and also the volatility in the exchange rate. The Group has a risk management framework aimed at prudently managing the risk arising from the volatility in commodity prices and freight costs.

The Group is exposed to price risk due to its investments in debt insturments and mutual funds. The price risk arises due to uncertainties about the future market values of these investments. The Group manages the securities price risk through investments in debt funds and diversification by placing limits on individual and total investments. Reports on Investment Portfolio are reviewed on regular basis and all approvals of investment decisions are done in concurrence with the senior management..

Notes to the Consolidated Financial Statements

As at 31 March 2023

As at 31st March 2023 the investments in mutual funds/Debt Instruments/ETF/Equity Shares amounts to ₹ 15,290.37 Lakhs (PY 2021-22 : ₹ 9,361.28 Lakhs). A 1% point increase or decrease in the NAV with all other variables held constant would have lead to aprroximately an additional ₹ 152.90 Lakhs (PY 2021-22 : ₹ 93.61 Lakhs) on either side in the statement of profit and loss.

ii) Credit Risk

Credit Risk is the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. It arises from credit exposure to customers, financial instruments viz., Investments in Debt Funds and Balances with Banks.

Trade receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. The Group also has an external credit risk insurance cover with ECGC Policy for specific customer(s) wherever considered necessary. The outstanding trade receivables due for a period exceeding 180 days as at the year ended 31 March 2023 is 0.04% (PY 2021-22: 0.16%) of the total trade receivables. The Group uses Expected Credit Loss (ECL) Model to assess the impairment loss or gain. Historical experience of collecting receivables of the Group is supported by low level of past default and hence the credit risk is perceived to be low.

The Group maintains exposure in cash and cash equivalents, term deposits with banks, investments in mutual funds , debt funds and loans to other companies. It has a diversified portfolio of investments with various number of counterparties which have secure credit ratings, hence the risk is reduced. Individual risk limits are set for each counterparty based on financial position, credit rating and past experience. Credit limits and concentration of exposures are actively monitored by its treasury department.

iii) Liquidity Risk

The principal sources of liquidity of the Group are cash and cash equivalents, investment in mutual funds, fund and non-fund based working capital lines from banks and the cash flow that is generated from operations. It believes that current cash and cash equivalents, tied up borrowing lines and cash flow that is generated from operations is sufficient to meet requirements. Accordingly, liquidity risk is perceived to be low.

The following table shows the maturity analysis of financial liabilities of the Group based on contractually agreed undiscounted cash flows as at the Consolidated Balance Sheet date.

Exposure to liquidity risk:

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted

(₹ in Lakhs)

Particulars	Refer Note	Less than 1 year	More than 1 Year
Borrowings	13	20.10	
		(1,839.89)	
Trade Payable	14	11,793.59	
		(10,939.28)	
Other Non Current Financial Liabilities	11		671.37
		-	(446.00)
Other Current Financial Liabilities	11	806.08	
		(741.69)	

Figures in brackets are in respect of Previous year

Notes to the Consolidated Financial Statements

As at 31 March 2023

Note 28 ADDITIONAL/EXPLANATORY INFORMATION

a) The Notes to these consolidated Ind AS financial statements are disclosed to the extent relevant and material for presenting a true and fair view of the consolidated Ind AS financial statements based on section 129(4) of The Companies Act, 2013 and as clarified vide Circular No.39/2014 dated 14th October,2014.

b) Earnings Per Share

(₹ in Lakhs)

Particulars		Year Ended 31 March 2023	Year Ended 31 March, 2022
Profit after taxation	₹ Lakhs	45,797.43	34,661.86
Weighter Average Number of equity shares (Face Value ₹ 1/-)	Nos.	10,27,82,050	10,27,82,050
Earnings per share	₹ Lakhs	44.56	33.72

c) Consolidated Employee benefit disclosures are not materially different from the employee benefit disclosures of the standalone Ind AS financial statements of the Company.

d) Related party disclosures (As per Ind AS 24 - Related Party Disclosures):

(a) Names of other related parties and nature of relationship:

Key Management Personnel:	i)	Mr. Vinod Saraf - Chairman
	ii)	Ms. Vinati Saraf Mutreja - Managing Director and CEO
	iii)	Mr. Jayesh Ashar - Director - Operations
	iv)	Ms. Viral Saraf Mittal - Director CSR
	v)	Mr. N. K. Goyal - Chief Financial Officer (CFO)
	vi)	Mr. Milind Wagh - Company Secretary
Relatives of Key Management Personnel:	i)	Mrs. Kavita Saraf - Wife of Mr. Vinod Saraf
Enterprise owned or significantly influenced by any key management personnel or their relatives	i)	Viral Alkalis Limited
	ii)	Suchir Chemicals Private Ltd.
	iii)	Veeral Additives Pvt. Ltd.
Other Related Parties	i)	Vinati Orgnics Limited - Group Gratuity Trust
	ii)	Mrs. Kavita Vinod Saraf Foundation

(b) Transactions with related parties (excluding reimbursements)

Nature of Transactions

(₹ in Lakhs)

		Transactions for the year 31-Mar-23	Closing balance as on 31-Mar 23	Transactions for the year 31-Mar-22	Closing balance as on 31-Mar 22
i)	Key Management Personnel:				
	Managerial Remuneration (Short Term Employee Benefits) *				
	Directors	565.80		515.92	
	CFO	97.11		90.88	
	Company Secretary	38.45		34.63	
	Dividend paid during the year				

Notes to the Consolidated Financial Statements

As at 31 March 2023

(₹ in Lakhs)

		Transactions for the year 31-Mar-23	Closing balance as on 31-Mar 23	Transactions for the year 31-Mar-22	Closing balance as on 31-Mar 22
	Vinod Saraf	903.54		834.03	
	Vinati Saraf Mutreja	78.69		72.64	
	Viral Saraf Mittal	67.75		62.54	
ii)	Relatives of Key Management Personnel:				
	Dividend paid during the year				
	Kavita Saraf	806.94		744.87	
iii)	Enterprise owned or significantly influenced by any management personnel or their relatives				
	Sales - Viral Alkalis Ltd	2.06	0.11	1.49	-
	Purchase - Viral Alkalis Ltd	675.77	4.00	128.61	-
	Rent of Immovable property-Viral Alkalis Ltd	4.80	-	4.80	-
	Sales - Veeral Additives Pvt. Ltd.	5,199.24	1,805.06	1,635.53	618.39
	Purchase - Veeral Additives Pvt. Ltd.	75.44	1.34	25.31	0.23
	Rent of Immovable property- Veeral Additives Pvt. Ltd.	6.24	-	5.40	-
	Telephone Charges-Veeral Additives Pvt. Ltd.	0.72	-	-	-
	Interest Income - Veeral Additives Pvt. Ltd.	2,003.30	2,956.56	1,203.78	1,153.59
	Loan given to - Veeral Additives Pvt. Ltd.	7,619.50	32,853.90	12,048.00	25,234.40
	Dividend Payment - Suchir Chemicals Private Ltd	3,090.96		2,853.19	-
iv)	Other Related Parties				
	Contributions paid	184.34		155.84	
	Contributions payable		129.14		184.34
	CSR paid	20.28		40.46	

*Remuneration does not include provisions made for Gratuity as it is determined on an actuarial basis for the Company as a whole.

c) Terms and conditions of transactions with related parties

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. For the year ended 31 March 2023, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2022: ₹ Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

e) Commitment

(i) Estimated amount of contracts remaining to be executed on Capital Account, net of advances and not provided for ₹ 10827.89 Lakhs (Previous Year ₹ 11,502.12 Lakhs).

(ii) Other Commitments

a Bank Guarantees - ₹ 2941.81 Lakhs (Previous Year - ₹ 1921.84 Lakhs).

b Letters of Credit issued by the Banks - ₹ 1500.24 Lakhs (Previous Year - ₹ 762.72 Lakhs).

f) Contingent Liabilities not provided for:

(a) Disputed Excise/Customs Duty/Service tax demands pending before the Appellate Authorities/High Court - ₹ 49.32 Lakhs (Previous Year ₹ 49.32 Lakhs) against which payment of ₹ 1.88 Lakhs (Previous Year ₹ 1.88 Lakhs) has been made.

Notes to the Consolidated Financial Statements

As at 31 March 2023

(b) Disputed Income Tax Demands - ₹ 10.59 Lakhs (Previous Year ₹ 0.86 Lakhs).

(c) Electricity Duty contested on co-power generation - ₹ 1,713.62 Lakhs (Previous Year ₹ 1,294.79 Lakhs)

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

(₹ in Lakhs)

Particualrs	Purpose	Amount outstanding		Maximum outstanding during the year	
		2022-23	2021-22	2022-23	2021-22
Other Parties					
Veeral Additives Private Limited	Capital Expenditure	32,853.90	25,234.40	32,853.90	25,234.40

Notes:

i) Loans given to employees as per the policy of the Group are not considered.

ii) The loanees did not hold any shares in the share capital of the Group.

h) Regarding the proposed scheme of amalgamation of Veeral Additives Private Limited with the Holding Company, all necessary approvals has been obtained except the final approval of the Hon'ble NCLT, Mumbai, which is pending for hearing.

I) i) Regarding the proposed scheme of amalgamation of Veeral Additives Private Limited with the Company, all necessary approvals has been obtained except the final approval of the Hon'ble NCLT, Mumbai, which is pending for hearing.

ii) This is to facilitate forward integration to the existing product lines of the Holding company. To expedite the completion of the project in time, and to avoid delays in the execution due to ongoing pandemic, the holding company has advanced loans of ₹ 7,619.50 Lakhs (P.Y. ₹ 12,048 Lakhs) to the proposed amalgamating company with a reference made in the scheme that Veeral Additives Private Limited will conduct all activites as trustees for the Holding Company.

i) Additional information on Net Assets and Share of Profit as at 31st March, 2023

Notes to the Consolidated Financial Statements

As at 31 March 2023

Ratios	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in Other comprehensive Income (OCI)	
	As % of consolidated net assets	Amount (₹ Lakhs)	As % of net Profit	Amount (₹ Lakhs)	As a % of OCI	Amount (₹ Lakhs)
Parent						
- Vinati Ogranics Limited	87.11%	2,21,879.85	100.00%	45,798.29	100%	(51.32)
Subsidiaries						
Indian						
Veeral Orgaincs Private Limited	1.09%	2,767.68	0.00%	-0.84	0%	-

j) Events Occuring after the Balance Sheet date

The proposed final dividend for FY 2022-23 amounting to ₹ 7,194.74 Lakhs (PY 2021-22 : 6,680.83 Lakhs) will be recognised as distribution to owners during the financial year 2023-24 on its approval by Shareholders. The proposed final dividend per share amounts to ₹ 7/- (PY 2021-22 : ₹ 6.50/-)

k) The Group did not have any material transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act,1956 during the financial year.

l) The figures for the corresponding previous year have been regrouped and/or rearranged wherever considered necessary.

For M.M.Nissim & Co LLP
Chartered Accountants
Firm Reg.No. 1107122W/W100672

N.Kashinath
Partner
Mem.No.036490
UDIN: 23036490BGXRYA1504

Mumbai, Dated 19th May, 2023

For and on behalf of Board of Directors

Millind Wagh
Company Secretary

Vinod Saraf
Chairman
DIN: 00076708

Nand Kishor Goyal
Chief Financial Officer

Vinati Saraf Mutreja
Managing Director & CEO
DIN: 00079184

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/associate companies/joint ventures (Information in respect of each subsidiary is to be presented with amounts in Rupees)

(₹ in Lakhs)

Sr. No.	Particulars	Details
1.	Name of the subsidiary	Veeral Organics Pvt. Ltd.
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A.
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N.A.
4.	Share capital	2818.64
5.	Reserves & surplus	(50.97)
6.	Total assets	2810.49
7.	Total Liabilities	42.82
8.	Investments	-
9.	Turnover	-
10.	Profit before taxation	(0.84)
11.	Provision for taxation	-
12.	Profit after taxation	
13.	Proposed Dividend	-
14.	% of shareholding	100%

For and on behalf of the Board of Directors

Vinod Saraf
Chairman
DIN: 00076708

Vinati Saraf Mutreja
Managing Director & CEO
DIN: 00079184

Nand Kishor Goyal
Chief Financial Officer

Milind Wagh
Company Secretary
Membership No: FCS 7125

Place: Mumbai
Date : 19.05.2023

NOTICE

NOTICE is hereby given that the THIRTY-FOURTH Annual General Meeting (AGM) of the Members of VINATI ORGANICS LIMITED ("the Company") will be held on Friday, September 8, 2023, at 11:00 a.m. (IST) through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS:

1. **Adoption of Audited Standalone and Consolidated Financial Statements:**

   To consider and adopt:

   a. The Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2023, together with the Reports of the Board of Directors and the Auditors thereon; and

   b. The Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2023, together with the Report of the Auditors thereon.

2. **Declaration of Dividend:**

   To declare a final dividend of ₹ 7/- per equity share of the face value of ₹ 1/- each for the Financial Year ended March 31, 2023.

3. **Re-appointment of Ms. Viral Saraf Mittal as Director, liable to retire by rotation:**

   To appoint a Director in place of Ms. Viral Saraf Mittal (DIN: 02666028), who retires by rotation at this meeting and being eligible, offers herself for re-appointment in terms of Section 152(6) of the Companies Act, 2013.

SPECIAL BUSINESS:

4. **Ratification of the remuneration of the Cost Auditors for the Financial Year 2023-24:**

   To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

   "**RESOLVED THAT** in accordance with the provisions of Section 148 of the Companies Act, 2013 ('the Act') and other applicable provisions, if any, of the Act, read with Rule 14 of the Companies (Audit and Auditors) Rules 2014, and the Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force), the Company hereby ratifies the remuneration of ₹ 60,000/- (Rupees Sixty Thousand only) plus out-of-pocket expenses if any, payable to M/s. N. Ritesh & Associates, Cost Accountants (Firm's Registration No. 100675) who have been appointed by the Board of Directors as the Cost Auditors of the Company, based on the recommendation of the Audit Committee to conduct the audit of the cost records of the Company, for the Financial Year 2023–24.

   RESOLVED FURTHER THAT the Board of Directors of the Company, (including its Committees thereof), be and are hereby authorized to do all such acts, deeds, matters and things as may be deemed proper, necessary, or expedient, including filing the requisite forms or submission of documents with any authority or accepting any modifications to the clauses as required by such authorities, for the purpose of giving effect to this Resolution and for matters connected therewith, or incidental thereto."

5. **Re-appointment of Mr. Vinod Saraf (DIN: 00076708) as Whole Time Director designated as Executive Chairman of the Company:**

   To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

   "**RESOLVED THAT** pursuant to Section 196, 197, 203 and other applicable provisions if any, of the Companies Act, 2013 ('the Act') and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) read with Schedule V of the Act and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the applicable clauses of the Articles of Association of the Company, the approval of the shareholders of the Company be and is hereby accorded for the re-appointment and terms of remuneration of Mr. Vinod Saraf as Whole Time Director designated as Executive Chairman, liable to retire by rotation, for the period effective from October 27, 2023 to March 31, 2028, with the liberty to the Board of Directors to alter, vary and modify the terms and conditions of the said appointment in such manner as may be agreed to between the Board of Directors and Mr. Vinod Saraf within and in accordance with the Act or such other applicable provisions or any amendment thereto and, as it may deem fit.

RESOLVED FURTHER THAT Mr. Vinod Saraf upon re-appointment be designated as Executive Chairman on the following terms and conditions:

BASIC SALARY:

₹ 15,00,000/- (Rupees Fifteen Lakh) per month in the scale/ range of ₹ 15,00,000/- (Rupees Fifteen Lakh) per month to ₹ 30,00,000/- (Rupees Thirty Lakh) per month with such increment in salary plus perquisites as may be decided by the Board on the recommendation of the Nomination and Remuneration Committee from time to time.

PERFORMANCE LINKED INCENTIVE:

Such amount as may be decided by the Board on the recommendation of the Nomination and Remuneration Committee, depending upon the performance of the Company, subject to the same not exceeding 1% of the Net Profit of the Company at the end of each financial year computed in the manner laid down in Section 198 of the Act.

PERQUISITES:

i) HOUSE: In case of unfurnished accommodation hired by the Company, the expenditure incurred by the Company on hiring of such accommodation, shall not exceed 60% of the salary, over and above 10% payable by Executive Chairman if posted in Mumbai, Kolkata, Delhi or Chennai or 50% if posted at any other place.

OR

HOUSE RENT ALLOWANCE: @ 30% of the salary.

ii) MEDICAL REIMBURSEMENT: Expenses incurred by the Chairman and his family subject to a ceiling of one month salary in a year or 3 months' salary over a period of 3 years.

iii) LEAVE TRAVEL CONCESSION: Reimbursement of expenses incurred by the Chairman and his family subject to a ceiling of one month salary once a year or 3 months' salary over a period of 3 years in accordance with the rules of the Company.

iv) CLUB FEES: Fees for clubs are subject to a maximum of two clubs. This will not include admission and life membership fees.

v) GAS & ELECTRICITY CHARGES: Reimbursement of Gas & Electricity Charges incurred.

vi) PROVIDENT FUND: Contribution to Provident Fund shall be such percentage as may be allowed under respective law from time to time.

vii) GRATUITY: It shall not exceed half a month's salary for each completed year of service.

viii) COMPANY CAR AND TELEPHONE: Provision of Car for use of company's business and telephone at residence. Use of car and telephone for private purposes will be billed to him.

ix) PERSONAL ACCIDENT INSURANCE: Premium not to exceed ₹ 5,000/- per annum.

x) LEAVE AND LEAVE ENCASHMENT: As per the Company's rules and regulations applicable to the Senior Executives of the Company.

xi) OTHER PERQUISITES/ BENEFITS: Such perquisites/ other benefits as may be decided by the Board on the recommendation of the Nomination and Remuneration Committee from time to time.

RESOLVED FURTHER THAT the Board be and is hereby also accorded for payment of remuneration mentioned aforesaid for any financial year during the tenure of his office (i) notwithstanding the inadequacy of profits or loss in the respective financial year; or (ii) even if the above payment or aggregate managerial remuneration of Executive Directors or aggregate managerial remuneration of all directors exceed the limits as specified in Section 197(1) of the Act and/or the second proviso thereunder read with applicable rules and Schedule V of the Act; or (iii) even if the above payment exceeds the limits specified in Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

RESOLVED FURTHER THAT any Director of the Board be and is hereby authorised to file Form MR-1, Form MGT-14 and any other forms as may be required with the Registrar of Companies and to do all such acts, deeds, matters and things as it may, in absolute discretion consider necessary, expedient or desirable for giving effect to the foregoing resolution, and to settle any question, or doubt that may arise in relation thereto."

6. Re-appointment of Ms. Vinati Saraf Mutreja (DIN: 00079184) as the Managing Director & CEO of the Company:

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

"**RESOLVED THAT** pursuant to the provisions of Section 196, 197, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ('the Act'), the Rules made thereunder, and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and the applicable clauses of the Articles of Association of the Company, the approval of the shareholders of the Company be and is hereby accorded

for the re-appointment and terms of remuneration of Ms. Vinati Saraf Mutreja (DIN: 00079184) as the Managing Director & Chief Executive Officer of the Company, liable to retire by rotation, for a period effective from October 27, 2023 to March 31, 2028, to perform the duties assigned by the Board of Directors from time to time, with the liberty to the Board of Directors to alter, vary and modify the terms and conditions of the said appointment in such manner as may be agreed to between the Board of Directors and Ms. Vinati Saraf Mutreja within and in accordance with the Act or such other applicable provisions or any amendment thereto and, as it may deem fit.

RESOLVED FURTHER THAT Ms. Vinati Saraf Mutreja upon re-appointment be designated as Managing Director & Chief Executive Officer on the following terms and conditions:

BASIC SALARY:

₹ 18,00,000/- (Rupees Eighteen Lakh) per month in the scale/ range of ₹ 18,00,000/- (Rupees Eighteen Lakh) per month to ₹ 36,00,000/- (Rupees Thirty-Six Lakh) per month with such increment in salary plus perquisites as may be decided by the Board on the recommendation of the Nomination and Remuneration Committee from time to time.

PERFORMANCE LINKED INCENTIVE:

Such amount as may be decided by the Board on the recommendation of the Nomination and Remuneration Committee depending upon the performance of the Company, subject to the same not exceeding 1% of the Net Profit of the Company at the end of each financial year computed in the manner laid down in Section 198 of the Act.

PERQUISITES:

i) HOUSE: In case of unfurnished accommodation hired by the Company, the expenditure incurred by the Company on hiring of such accommodation, shall not exceed 60% of the salary, over and above 10% payable by Managing Director & CEO if posted in Mumbai, Kolkata, Delhi or Chennai or 50% if posted at any other place.

   OR

   HOUSE RENT ALLOWANCE: @ 30% of the salary.

ii) MEDICAL REIMBURSEMENT: Expenses incurred by the Director and her family subject to a ceiling of one month salary in a year or 3 months' salary over a period of 3 years.

iii) LEAVE TRAVEL CONCESSION: Reimbursement of expenses incurred by the Director and her family subject to ceiling of one month salary once in a year or 3 months' salary over a period of 3 years in accordance with the rules of the Company.

iv) CLUB FEES: Fees for clubs are subject to a maximum of two clubs. This will not include admission and life membership fees.

v) GAS & ELECTRICITY CHARGES: Reimbursement of Gas & Electricity Charges incurred.

vi) PROVIDENT FUND: Contribution to Provident Fund shall be such percentage as may be allowed under respective law from time to time.

vii) GRATUITY: It shall not exceed half a month's salary for each completed year of service.

viii) COMPANY CAR AND TELEPHONE: Provision of Car for use of company's business and telephone at residence. Use of car and telephone for private purposes will be billed to her.

ix) PERSONAL ACCIDENT INSURANCE: Premium not to exceed ₹ 5,000/- per annum.

x) LEAVE AND LEAVE ENCASHMENT: As per the Company's rules and regulations applicable to the Senior Executives of the Company.

xi) OTHER PERQUISITES/ BENEFITS: Such perquisites/ other benefits as may be decided by the Board on the recommendation of the Nomination and Remuneration Committee from time to time.

RESOLVED FURTHER THAT the Board be and is hereby also accorded for payment of remuneration mentioned aforesaid for any financial year during the tenure of her office (i) notwithstanding the inadequacy of profits or loss in the respective financial year; or (ii) even if the above payment or aggregate managerial remuneration of Executive Directors or aggregate managerial remuneration of all directors exceed the limits as specified in Section 197(1) of the Act and/or the second proviso thereunder read with applicable rules and Schedule V of the Act; or (iii) even if the above payment exceeds the limits specified in Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

RESOLVED FURTHER THAT any Director of the Board be and is hereby authorised to file Form MR-1, Form MGT-14 and any other forms as may be required with the Registrar of Companies and to do all such acts, deeds, matters and things as it may, in absolute discretion consider necessary, expedient or desirable for giving effect to the foregoing resolution, and to settle any question, or doubt that may arise in relation thereto."

7. Re-appointment of Ms. Viral Saraf Mittal (DIN: 02666028) as Whole Time Director designated as Director CSR of the Company:

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

"**RESOLVED THAT** pursuant to Section 196, 197, 203 and other applicable provisions if any, of the Companies Act, 2013 ('the Act') and Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) read with Schedule V of the Act and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the applicable clauses of the Articles of Association of the Company, the approval of the shareholders of the Company be and is hereby accorded for the re-appointment and terms of remuneration of Ms. Viral Saraf Mittal (DIN: 02666028) as Whole Time Director designated as Director CSR for a period effective from May 19, 2024 to March 31, 2029, liable to retire by rotation, to perform the duties assigned by the Board of Directors from time to time, with the liberty to the Board of Directors to alter, vary and modify the terms and conditions of the said appointment in such manner as may be agreed to between the Board of Directors and Ms. Viral Saraf Mittal within and in accordance with the Act or such other applicable provisions or any amendment thereto and, as it may deem fit.

RESOLVED FURTHER THAT Ms. Viral Saraf Mittal upon re-appointment be designated as Director CSR on the following terms and conditions:

BASIC SALARY:

₹ 7,00,000/- (Rupees Seven Lakh) per month in the scale/ range of ₹ 7,00,000/- (Rupees Seven Lakh) per month to ₹ 14,00,000/- (Rupees Fourteen Lakh) per month with such increment in salary plus perquisites as may be decided by the Board on the recommendation of the Nomination and Remuneration Committee from time to time.

PERFORMANCE LINKED INCENTIVE:

Such amount as may be decided by the Board on the recommendation of the Nomination and Remuneration Committee depending upon the performance of the Company, subject to the same not exceeding 1% of the Net Profit of the Company at the end of each financial year computed in the manner laid down in Section 198 of the Act.

PERQUISITES:

i) HOUSE: In case of unfurnished accommodation hired by the Company, the expenditure incurred by the Company on hiring of such accommodation, shall not exceed 60% of the salary, over and above 10% payable by Director-CSR if posted in Mumbai, Kolkata, Delhi or Chennai or 50% if posted at any other place.

OR

HOUSE RENT ALLOWANCE: @ 30% of the salary.

ii) MEDICAL REIMBURSEMENT: Expenses incurred by the Director and her family are subject to ceiling of one month salary in a year or 3 months' salary over a period of 3 years.

iii) LEAVE TRAVEL CONCESSION: Reimbursement of expenses incurred by the Director and her family subject to ceiling of one month salary once in a year or 3 months' salary over a period of 3 years in accordance with the rules of the Company.

iv) CLUB FEES: Fees for clubs are subject to a maximum of two clubs. This will not include admission and life membership fees.

v) GAS & ELECTRICITY CHARGES: Reimbursement of Gas & Electricity Charges incurred.

vi) PROVIDENT FUND: Contribution to Provident Fund shall be such percentage as may be allowed under respective law from time to time.

vii) GRATUITY: It shall not exceed half a month's salary for each completed year of service.

viii) COMPANY CAR ANDTELEPHONE: Provision of Car for use of company's business and telephone at residence. Use of car and telephone for private purposes will be billed to her.

ix) PERSONAL ACCIDENT INSURANCE: Premium not to exceed ₹ 5,000/- per annum.

x) LEAVE AND LEAVE ENCASHMENT: As per the Company's rules and regulations applicable to the Senior Executives of the Company.

xi) OTHER PERQUISITES/ BENEFITS: Such perquisites/ other benefits as may be decided by the Board on the recommendation of the Nomination and Remuneration Committee from time to time.

RESOLVED FURTHER THAT the Board be and is hereby also accorded for payment of remuneration mentioned aforesaid for any financial year during the tenure of her office (i) notwithstanding the inadequacy of profits or loss in the respective financial year; or (ii) even if the above payment or aggregate managerial remuneration of Executive Directors or aggregate managerial remuneration of all directors exceed the limits as specified in Section 197(1) of the Act and/or the second proviso thereunder read with applicable rules and Schedule V of the Act; or (iii) even if the above payment exceeds the limits specified in Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

RESOLVED FURTHER THAT any Director of the Board be and is hereby authorised to file Form MR-1, Form MGT-14 and any other forms as may be required with the Registrar of Companies and to do all such acts, deeds, matters and things as it may, in absolute discretion consider necessary, expedient or desirable for giving effect to the foregoing resolution, and to settle any question, or doubt that may arise in relation thereto."

8. Re-appointment of Mr. Jayesh Ashar (DIN: 00041532) as Whole Time Director of the Company:

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

"**RESOLVED THAT** pursuant to Section 196, 197, 203 and other applicable provisions if any, of the Companies Act, 2013 ('the Act') and Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) read with Schedule V of the Act and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the applicable clauses of the Articles of Association of the Company, the approval of the shareholders of the Company be and is hereby accorded for re-appointment of Mr. Jayesh Ashar (DIN: 00041532) as Whole Time Director of the Company for a period effective from April 1, 2024 to March 31, 2027, liable to retire by rotation, to perform the duties assigned by the Board of Directors from time to time, on the terms and conditions including remuneration as set out in the Explanatory Statement annexed to this Notice, and with the liberty to the Board of Directors to alter, vary and modify the terms and conditions of the said appointment in such manner as may be agreed to between the Board of Directors and Mr. Jayesh Ashar within and in accordance with the Act or such other applicable provisions or any amendment thereto and, as it may deem fit.

RESOLVED FURTHER THAT the Board be and is hereby also accorded for payment of remuneration mentioned aforesaid for any financial year during the tenure of his office (i) notwithstanding the inadequacy of profits or loss in the respective financial year; or (ii) even if the above payment or aggregate managerial remuneration of Executive Directors or aggregate managerial remuneration of all directors exceed the limits as specified in Section 197(1) of the Act and/or the second proviso thereunder read with applicable rules and Schedule V of the Act; or (iii) even if the above payment exceeds the limits specified in Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

RESOLVED FURTHER THAT any Director of the Board be and is hereby authorised to file Form MR-1, Form MGT-14 and any other forms as may be required with the Registrar of Companies and to do all such acts, deeds, matters and things as it may, in absolute discretion consider necessary, expedient or desirable for giving effect to the foregoing resolution, and to settle any question, or doubt that may arise in relation thereto."

9. Re-appointment of Ms. Mona Bhide (DIN: 05203026) as an Independent Director for the Second Term:

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 ('the Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Ms. Mona Bhide (DIN:05203026), Non-Executive Independent Director of the Company who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act and is eligible for re-appointment, be and is hereby re-appointed as a Non-Executive Independent Director of the Company to hold office for a second term of five consecutive years w. e. f. October 27, 2023, to October 26, 2028, and shall not be liable to retire by rotation.

RESOLVED FURTHER THAT any Director of the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion consider necessary, expedient or desirable for giving effect to the foregoing resolution, and to settle any question, or doubt that may arise in relation thereto."

For and on behalf of the Board of Directors

Milind Wagh
Company Secretary
Membership No. FCS-7125

Registered Office:
B-12 & B-13/1, MIDC Industrial Area,
Mahad – 402 309, Dist. Raigad, Maharashtra.
Tel No.: 022-61240444/428, Fax No.: 022-61240438
Email: shares@vinatiorganics.com
Website: www.vinatiorganics.com
CIN: L24116MH1989PLC052224
Mumbai, May 19, 2023

NOTES:

Pursuant to General Circulars No.14/2020 dated April 8, 2020, No.17/2020 dated April 13, 2020, No.20/2020 dated May 5, 2020, No. 02/2021 dated January 13, 2021, No. 21/2021 dated December 14, 2021, No. 2/2022 dated May 5, 2022 and No. 10/2022 dated December 28, 2022 issued by the Ministry of Corporate Affairs (collectively referred to as 'MCA Circulars'), the Company is convening the 34th Annual General Meeting (AGM) through Video Conferencing (VC)/Other Audio Visual Means (OAVM), without the physical presence of the Members at a common venue.

Further, the Securities and Exchange Board of India (SEBI), vide its Circulars dated May 12, 2020, January 15, 2021, May 13, 2022 and January 5, 2023 (SEBI Circulars) and other applicable circulars issued in this regard, have provided relaxations from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

In compliance with the applicable provisions of the Companies Act, 2013 (the Act), the Listing Regulations and MCA Circulars, the 34th AGM of the Company is being held through VC/OAVM on Friday, September 8, 2023, at 11:00 a.m. (IST). The proceedings of the AGM will be deemed to be conducted at the Registered Office of the Company at B-12 & B-13/1, MIDC Industrial Area, Mahad – 402309, Dist. Raigad, Maharashtra, which shall be the deemed venue of the AGM.

The relative explanatory statement pursuant to Section 102 of the Act, in regard to the business as set out in Item Nos. 4 and 9 above and the relevant details of the Directors seeking re-appointment as required by Regulation 36(3) of the Listing Regulations and as required under Secretarial Standard - 2 on General Meetings (SS-2) issued by The Institute of Company Secretaries of India, are annexed to this Notice.

PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC/OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, THE FACILITY FOR APPOINTMENT OF PROXIES BY MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE, THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF AGM ARE NOT ANNEXED TO THIS NOTICE.

Institutional Shareholders / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its respective Board or governing body Resolution, Authorization, etc., authorizing their representative to attend the 34th AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to vkmassociates@yahoo.com with a copy marked to evoting@nsdl.co.in and shares@vinatiorganics.com.

In case of joint holders attending the AGM, only such joint holder, who is higher in the order of names, will be entitled to vote.

The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.

The Members can join the AGM through VC/OAVM 30 minutes before and within 15 minutes after the scheduled time of the commencement of the AGM by following the procedure mentioned in the Notice. The Members will be able to view the proceedings on National Securities Depository Limited's (NSDL) e-Voting website at www.evoting.nsdl.com. The facility of participation at the AGM through VC/OAVM will be made available on a first come first served basis as per the MCA Circulars.

The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or Arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013, will be available electronically for inspection by the Members during the AGM and all other documents referred to in the Notice and Explanatory Statements, will be available for inspection through electronic mode without any fee by the Members from the date of circulation of this Notice up to the date of AGM. Members can inspect the same by sending an email to shares@vinatiorganics.com.

The equity shares of the Company are listed at the BSE Ltd., Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001, Maharashtra and The National Stock Exchange of India Ltd., Exchange Plaza, Plot No.C/1, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai – 400051, Maharashtra. The Annual Listing Fee as prescribed has been paid to the above stock exchanges.

Book Closure:

The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, September 2, 2023 to Friday, September 8, 2023 (both days inclusive), for the purpose of payment of dividend for Financial Year 2022-23 (FY 22-23). Members are requested to intimate to the Company or its RTA or the concerned DPs, the changes, if any, in their registered addresses, quoting their Folio Numbers/ or their client ID number with DP ID number, as the case may be. Non-Resident Indian Members are requested to inform the Company or its RTA or the concerned DPs, as the case may be, immediately:

(a) the change in residential status on return to India for permanent settlement.

(b) the particulars of the NRE Account with a Bank in India, if not furnished earlier.

Dispatch of Annual Report through Electronic Mode:

The Ministry of Corporate Affairs (MCA), Government of India, through its Circulars Nos. 17/2011 dated April 21, 2011, and 18/2011 dated April 29, 2011, respectively, have allowed Companies to send documents viz. Notices of meetings, Annual Reports and other shareholder communication to their shareholders electronically as part of its Green Initiatives in Corporate Governance. The Company supports the measures in the Green Initiative. Members are also requested to join the Company in this initiative by registering their Email ID with the Company or its RTA.

Further, in terms of the MCA Circulars and the relevant SEBI Circulars, the Company is sending this AGM Notice along with the Integrated Annual Report for FY 22-23 in electronic form only to those Members whose email IDs are registered with the Company/Depositories/RTAs. The Company shall send the physical copy of the Integrated Annual Report for FY 22-23 only to those Members who specifically request the same at shares@vinatiorganics.com mentioning their Folio No/DP ID and Client ID. The Notice convening the AGM and the Integrated Annual Report for FY 22-23 have been uploaded on the website of the Company at www.vinatiorganics.com and may also be accessed on the websites of the Stock Exchanges i.e. BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) at www.bseindia.com and www.nseindia.com, respectively. The AGM Notice is also available on the website of NSDL at www.evoting.nsdl.com.

Registrars and Transfer Agents:

The Company has appointed Link Intime India Pvt. Ltd., C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400 083 as the Registrars and Transfer Agents ("R&TA") for all aspects of investor servicing relating to shares.

To enhance the ease of doing business for investors in the securities market, SEBI issued Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023 issued in supersession of earlier circulars issued by SEBI bearing nos. SEBI/HO/ MIRSD/MIRSD RTAMB /P/CIR/2021/655 and SEBI/HO/MIRSD/ MIRSD RTAMB/ P/CIR/2021/687 dated November 3, 2021 and December 14, 2021. The circular established common and simplified norms for processing investor service requests by RTAs, as well as norms for providing PAN, KYC details, and Nomination. According to the circular, it is mandatory for all holders of physical securities in the company to provide PAN, Nomination, Contact details, Bank A/c details, and specimen signature for their respective folio numbers. Failure to provide these documents/details by the physical holders will result in the freezing of their folios by the RTA on or after October 01, 2023. The SEBI Circular also requires the company to notify holders of physical securities whose PAN, KYC, and nomination details are incomplete. Therefore, the Company dispatched KYC letters via ordinary post on 17-05-2023 to a total of 425 folios of physical securities holders.

The securities in the frozen folios shall be eligible:

- To lodge any grievance or avail of any service, only after furnishing the complete documents/details as mentioned above;
- To receive any payment including dividend, interest or redemption amount (which would be only through electronic mode) only after they comply with the above-stated requirements.

The forms for updation of PAN, KYC, bank details and Nomination viz., Forms ISR-1, ISR-2, ISR-3, SH-13 are available on our website www. vinatiorganics.com/other-information/. In view of the above, we urge Members holding shares in physical form to submit the required forms along with the supporting documents at the earliest.

Further, Shareholders holding shares in physical form are requested to ensure that their PAN is linked to their Aadhaar to avoid freezing of folios. Such frozen folios shall be referred by RTA/Company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and/or Prevention of Money Laundering Act, 2002, after December 31, 2025.

Members are also requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as the name of the bank and branch details, bank account number, MICR code, IFSC code, etc.

a. For shares held in electronic form - to their Depository Participants (DPs).

b. For shares held in physical form - the Company/Registrar and Transfer Agent in prescribed Form ISR-1 and other forms pursuant to SEBI Circular No. SEBI/HO/ MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021.

Members may please note that SEBI vides its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022, has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; a 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, the format of which is available on the Company's website at www.vinatiorganics.com and on the website of the Company's Registrar and Transfer Agents (RTA), Link Intime India Pvt. Ltd. at https://linkintime.co.in/. It may be noted that any service request can be processed only after the folio is KYC Compliant.

As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in

dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents i.e. Link Intime India Pvt. Ltd., for assistance in this regard.

Dividends:

The Dividend on the Equity Share as recommended by the Board of Directors is 700% of the share capital of the Company i.e. ₹ 7/- per Equity Share of the face value of ₹ 1/- each for the financial year ended March 31, 2023. If the dividend, as recommended by the Board of Directors, gets approved at the AGM, will be made payable on or after Wednesday, September 13, 2023 to those members whose names appear on the Register of Members of the Company after giving effect to all valid share transfers in physical form lodged with the Company or its R&TA as of the close of business hours on or before Friday, September 01, 2023 or those, whose names appear as beneficial owners as on Friday, September 01, 2023 as per lists to be furnished by the depositories viz. National Securities Depository Limited and Central Depository Services (India) Limited.

Further, pursuant to Finance Act, 2020, dividend income is taxable in the hands of shareholders w.e.f. April 01, 2020, and therefore the Company is required to deduct tax at source/ withhold tax from dividends to be paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the provisions in the Income Tax Act, 1961 and amendments thereof. The shareholders are requested to update their PAN with the Company/RTA (in case of shares held in physical mode) and with the Depository Participants (in case of shares held in demat mode). The voting rights on the shares outstanding in the suspense account as on March 31, 2023, shall remain frozen till the rightful owner of such shares claims the shares.

Updation of mandate for receiving dividend directly in bank account through Electronic Mode or any other means in a timely manner: Members are advised to avail of the facility for receipt of dividends through Electronic Clearing Service (ECS). The ECS facility is available at specified locations. Members holding shares in electronic form are requested to contact their respective DPs for availing ECS facility. Members holding shares in physical form are requested to download the ECS form from the website of the Company viz. www.vinatiorganics.com and the same duly filled up and signed along with a photocopy of a cancelled cheque may be sent to the Company or to its R&TA.

Members who hold shares in electronic form and want to change/correct the bank account details should send the same immediately to their concerned DPs and not to the Company. Members are also requested to give the MICR Code of their bank to their DPs. The Company will not entertain any direct request from such Members for change of address, transposition of names, deletion of the name of the deceased joint holder and change in the bank account details. The said details will be considered, as will be furnished by NSDL/CDSL to the Company.

Further, to avoid the incidence of fraudulent encashment of dividend warrants, Members are requested to intimate the Company/RTAs under the signature of the Sole/ First Joint Holder, of the following information, so that the bank account number and name and address of the bank can be printed on the dividend warrants:

1. Name of Sole/ First Joint holder and Folio number.
2. Particulars of bank account, viz.

   i) Name of the bank

   ii) Name of branch

   iii) Complete address of bank with Pin code

   iv) Account type, whether saving (SB) or Current Account (CA)

   v) Bank Account Number

A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source to Link Intime India Private Limited, the Company's RTA at https://web.linkintime.co.in/formsreg/submission-of-form-15g-15h.html or by email to vinatidivtax@linkintime.co.in. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate as applicable.

Non Resident shareholders (including Foreign Institutional Investors-FIIs/ Foreign Portfolio Investors – FPIs) can avail beneficial rates under the tax treaty between India and their country of tax residence, subject to providing the necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by uploading the same at https://web.linkintime.co.in/formsreg/submission-of-form-15g-15h.html or sending the same by email to vinatidivtax@linkintime.co.in.

The formats of declarations are available on the Company's website at https://vinatiorganics.com/other-information/

As per the provisions of Section 72 of the Act and SEBI Circular, the facility for making nominations is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same through the prescribed nomination form which can be obtained from the Company's share department situated at Parinee Crescenzo, 1102, A Wing, 11th Floor, "G" Block, Plot No. C38 & C39, Behind MCA, Bandra Kurla Complex, Bandra East, Mumbai – 400 051, Maharashtra.

Investor Education and Protection Fund:

Notice is being issued pursuant to the provisions of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the IEPF Rules") and any statutory amendments, modifications etc. made and the notifications, circulars issued thereunder for the time being in force.

As per the said Rules, amongst other matters, contain provisions for the transfer of all shares in respect of which no dividend has been claimed by the shareholders for a consecutive period of seven years or more to the DEMAT account of Investor Education and Protection Fund ("IEPF") Authority.

Adhering to various requirements set out in the IEPF Rules, the Company has communicated individually to the shareholders whose shares are liable to be transferred to IEPF Authority, Also, complete details of such shareholders have been uploaded on the Company's website at www.vinatiorganics.com.

Shareholders must note that both the unclaimed dividend and shares transferred to IEPF Authority including all benefits on such shares if any can be claimed back by them from IEPF authority after following the due procedure prescribed under these rules.

For those shareholders from whom the Company has not received any communication by September 10, 2022, the Company with a view to adhering to the requirements of the Rules, transfers the shares to the IEPF suspense account by the due date as per the procedure set out in the Rules. The details of unclaimed dividends and shares transferred to IEPF Authority during FY 22-23 are as follows:

Amount of unclaimed dividends transferred

Financial Year	Amount of Unclaimed Divided transferred (₹ in lakhs)	Number of Shares Transferred
2014-2015	36.54	33701

For any queries on the above matter, shareholders are requested to contact the Company's Registrar and Share Transfer Agents: Link Intime India Pvt. Ltd. Unit: Vinati Organics Limited, C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai–400083 Phone: 022-49186270, Email: rnt.helpdesk@linkintime.co.in

Pursuant to the provisions of Section 124 of the Companies Act, 2013, as amended, dividends for the Financial Year 2015-2016, which remain unpaid or unclaimed for a period of 7 years and the dividends to be declared for the subsequent years, if any, will be transferred to the IEPF Fund. Shareholders who have so far not encashed/claimed the dividend warrant(s) for the financial year 2015-2016 are requested to make their claim to the Secretarial Department at the Registered Office of the Company or the office of the R&TA on or before August 11, 2023 failing which the unpaid/ unclaimed amount will be transferred to the IEPF Authority as above, no claim shall lie against the Company or the IEPF Authority in respect of such amount by the Member.

The Ministry of Corporate Affairs (MCA), Government of India, through its Circular No. 17/2012 dated July 23, 2012, has directed Companies to upload on the their website information regarding unpaid and unclaimed dividends.

Pursuant to the said IEPF Rules, the Company has uploaded the details of unpaid and unclaimed dividends on its website at www.vinatiorganics.com.

Depository System:

The Company has entered into agreements with NSDL and CDSL to provide share depositories services. The Depository System envisages the elimination of several problems involved in the scrip-based system such as bad deliveries, fraudulent transfers, fake certificates, thefts in postal transit, delays in transfers, mutilation of share certificates, etc. Simultaneously, the Depository system offers several advantages like exemption from stamp duty, elimination of the concept of the market lot, elimination of bad deliveries, reduction in transaction costs, improved liquidity, etc.

Members, therefore now have the option of holding and dealing in the shares of the Company in electronic form through NSDL or CDSL. Members are encouraged to convert their holdings to electronic mode.

Re-appointment of Directors:

Section 152 of the Companies Act, 2013, provides inter alia that unless the Articles provide for the retirement of all Directors at every Annual General Meeting, not less than two-third of the total number of Directors of a public company, (a) be persons whose period of office is liable to determination by retirement of Directors by rotation; and (b) save as otherwise expressly provided in the Act, be appointed by the Company in the General Meeting.

Accordingly, Ms. Viral Saraf Mittal (DIN: 02666028) retiring by rotation at this AGM and being eligible offered herself for re-appointment. The information or details pertaining to the Director to be provided in terms of applicable Regulations of the Listing Regulations read with Secretarial Standards on General Meetings is furnished in the statement on Corporate Governance published in this Annual Report.

Details of Director seeking re-appointment:

Particulars	Remarks
Date of Birth	28.10.1986
Date of Appointment	19.05.2009
Qualifications	Bachelor of Science in Economics and Bachelor of Arts in Economics from the University of Pennsylvania, Philadelphia, PA.

Directorships held in other public Companies	Viral Alkalis Limited.
Memberships / Chairman of committees of other public companies	Nil

The other relatives of Ms. Viral Saraf Mittal in the Board may be deemed to be interested in the aforesaid resolution. No other Director(s) and their relatives are interested in the said resolution.

Electronic Voting:

In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Clause 44 of the Listing Agreement, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 34th Annual General Meeting by electronic means and the business may be transacted through e-Voting Services. The facility of casting votes by the members using an electronic voting system from a place other than the venue of the AGM will be provided by National Securities Depository Limited (NSDL).

The Members who have cast their vote by remote e-voting prior to the AGM may also attend/ participate in the 34th AGM through VC / OAVM but shall not be entitled to cast their vote again.

Voting rights are reckoned on the basis of the shares registered in the names of the Members/Beneficial Owners as of Friday, September 1, 2023.

The instructions for voting electronically are enclosed and also details of which shall be uploaded on the website of the Company.

Any person holding shares in physical form and non-individual shareholders, who acquire shares of the Company and becomes a member of the Company after the notice is sent through e-mail and holding shares as of the cut-off date i.e. Friday, September 1, 2023, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using the "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on toll-free no. 022 - 48867000 and 022 - 24997000. In case of Individual Shareholders holding securities in demat mode who acquire shares of the Company and become a Member of the Company after sending the Notice and holding shares as of the cut-off date i.e. Friday, September 1, 2023 may follow the steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system".

Other Miscellaneous Details:

The Integrated Annual Report of the Company for the Financial Year 2022–2023, circulated to the Members of the Company and is available on the Company's website viz. www.vinatiorganics.com.

Further, the Members who are holding shares in identical order of names in more than one folio are requested to send to the Company the details of such folios together with the Share Certificates for consolidating their holdings in one folio. The Share Certificates will be returned to the Members after making requisite changes thereon.

Mr. Vijay Kumar Mishra of M/s. VKM & Associates, Practising Company Secretary, holding Certificate of Practice No. 4279,has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of the conclusion of the AGM, a consolidated Scrutinizer'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.

Subject to receipt of the requisite number of votes, the resolutions shall be deemed to be passed on the date of the AGM.

The result declared along with the Scrutinizer's Report shall be placed on the Company's website www.vinatiorganics.com and on the website of NSDL https://www.evoting.nsdl.com immediately. The Company shall simultaneously forward the results to the National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed.

For and on behalf of the Board of Directors

Milind Wagh
Company Secretary
Membership No. FCS-7125

Registered Office:
B-12 & B-13/1, MIDC Industrial Area,
Mahad – 402 309, Dist. Raigad, Maharashtra.
Tel No.: 022-61240444/428, Fax No.: 022-61240438
Email: shares@vinatiorganics.com
Website: www.vinatiorganics.com
CIN: L24116MH1989PLC052224
Mumbai, May 19, 2023

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013.

In conformity with the provisions of Section 102 of the Companies Act, 2013 ('the Act') the following Explanatory Statement sets out all material facts in respect of Items Nos. 4 to 9.

Item No. 4:

The Board of Directors of the Company on the recommendation of the Audit Committee approved the appointment and remuneration of M/s. N. Ritesh & Associates, Cost Accountants, to conduct the audit of the Cost Records of the Company for the financial year ending March 31, 2024.

In terms of the provisions of Section 148 of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor need to be ratified by the Members of the Company. Accordingly, the Board recommends the remuneration of ₹ 60,000/- (Rupees Sixty Thousand only) to be paid to the Cost Auditor for the financial year 2023-2024 for the ratification of Members and to pass the resolution as an Ordinary Resolution as set out at item no. 4 of the Notice of 34th AGM.

None of the Directors and Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested in the Resolution set out at Item No. 4 of the Notice.

Item No. 5:

Mr. Vinod Saraf was appointed as the Chairman and Executive Director of the Company from October 27, 2018, until October 26, 2023, based on the terms & conditions and remuneration approved by the Members at the 30th Annual General Meeting (referred to as "30th AGM") held on July 27, 2019.

He is the founder and promoter of the Company, possesses extensive and diverse industry experience and has been actively involved in the Company's operations and management since its establishment. It would be in the interest of the Company to continue and to avail of his considerable expertise and to continue the employment of Mr. Vinod Saraf as a Whole Time Director, designated as Executive Chairman. Recognizing his valuable expertise and experience, and following the recommendations of the Nomination and Remuneration Committee, the Board of Directors (referred to as "the Board") pursuant to Section 152, 196 read with Schedule V of the Companies Act, 2013 and the relevant Rules made thereunder and the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, subject to the approval of the members by passing a Special Resolution in the Annual General Meeting, re-appointed Mr. Vinod Saraf as the Whole Time Director, designated as Executive Chairman of the Company, in its Board Meeting held on May 19, 2023. This re-appointment will be effective from October 27, 2023, and will extend until March 31, 2028, on terms & conditions as stated in the resolution.

Further, pursuant to Section 197, 198 and Schedule V of the Companies Act, 2013, along with the Companies (Remuneration of Managerial Personnel) Rules, 2014, the Board, based on the recommendations of the Nomination and Remuneration Committee approved the remuneration to be paid to Mr. Vinod Saraf. The said remuneration will be applicable for a period effective from October 27, 2023, to March 31, 2028, subject to the shareholder's approval at the Annual General Meeting. The agreement outlining the terms and conditions of Mr. Vinod Saraf appointment is available for inspection by the members at the Registered Office of the Company during working hours from 11.00 a.m. to 1.00 p.m. on any working day upto the date of Annual General Meeting.

In terms of Section 196 and Part I of Schedule V to the Companies Act, 2013, Mr. Vinod Saraf who has already attained age of 73 years, can be re-appointed as a Whole Time Director, designated as Executive Chairman only if a Special Resolution is passed by the shareholders to that effect.

In the event of inadequacy of profits or losses in the respective financial year, the payment of aforesaid remuneration shall be made, in terms of the provisions of Schedule V to the Act, for a period of three years from October 27, 2023 to October 26, 2026.

The Board has considered the parameters given under Section 200 of the Act, and the rules made thereunder read with Schedule V to the Act for recommending the above re-appointment.

Mr. Vinod Saraf is eligible to be appointed as a Director, as he is not disqualified under Section 164(2) of the Companies Act, 2013, and has not been debarred or disqualified by any relevant statutory authorities such as the Securities and Exchange Board of India, the Ministry of Corporate Affairs or any such other Statutory Authority. He fulfils all the conditions outlined in Part-I of Schedule V to the Act, as well as the requirements mentioned in subsection (3) of Section 196 and Section 197(11) of the Act, making her eligible for this appointment.

A brief profile of Mr. Vinod Saraf along with other details as required in compliance with Schedule V of the Companies Act, 2013, Listing Regulations and Secretarial Standard 2 on General Meetings issued by The Institute of Company Secretaries of India (ICSI) are provided in the "Annexure" to the Notice.

Pursuant to Clause C of Part I read with Part III of Schedule V of the Companies Act, 2013, the Board recommends the appointment and remuneration of Mr. Vinod Saraf designated as Executive Chairman of the Company, liable to retire by rotation.

Mr. Vinod Saraf is interested in the resolution set out at Item No. 5 of the Notice. Ms. Vinati Saraf Mutreja, MD & CEO and Ms. Viral Saraf MIttal, Director being relatives may be deemed to be interested in the aforesaid resolution. The other relatives of Mr. Vinod Saraf may also deemed to be interested in the

aforesaid resolutions, to the extent of their shareholding, if any, in the Company. Save and except the above, none of the other Directors/ Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the aforesaid resolution.

This explanatory statement, along with the accompanying Notice, serves as an abstract of the terms of Mr. Vinod Saraf appointment as the Executive Chairman of the Company, as per the first proviso of sub-section (4) of Section 196, read with Section 190 of the Companies Act, 2013.

The Board of Directors of the Company recommends the Special Resolution as set out in Item No. 5 in the accompanying Notice for approval of the members.

Item No. 6:

Ms. Vinati Saraf Mutreja was appointed as the Managing Director & CEO of the Company for the period from October 27, 2018, until October 26, 2023, based on the terms & conditions and remuneration approved by a Oridinary Resolution passed by the Members at the 30th Annual General Meeting (referred to as "30th AGM") held on July 27, 2019.

With over 18 years of experience in the Company's managerial team, Ms. Vinati Saraf Mutreja oversees the Marketing, Finance & Operation functions and has played a pivotal role in the Company's growth, enhancing employee morale, and prioritizing superior value delivery to stakeholders during her tenure as Managing Director & CEO. Upon considering her capabilities and extensive experience are considered beneficial for the Company, the Nomination and Remuneration Committee recommended her re-appointment as Managing Director & CEO of the Company to the Board of Directors (the "Board") in its meeting held on May 19, 2023. The re-appointment will take effect from October 27, 2023, and will continue until March 31, 2028, on terms & conditions as stated in the Resolution.

The Board of Directors (referred to as "the Board") pursuant to Section 152, 196 read with Schedule V of the Companies Act, 2013 and the relevant Rules made thereunder and the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, subject to the approval of the members by passing a Special Resolution in the Annual General Meeting, re-appointed Ms. Vinati Saraf Mutreja as the Managing Director & CEO of the Company, in its Board Meeting held on May 19, 2023. This re-appointment will be effective from October 27, 2023, and will extend until March 31, 2028, on terms & conditions as stated in the resolution.

Further, pursuant to Section 197, 198 and Schedule V of the Companies Act, 2013, along with the Companies (Remuneration of Managerial Personnel) Rules, 2014, the Board, based on the recommendations of the Nomination and Remuneration Committee approved the remuneration to be paid to Ms. Vinati Saraf Mutreja. The said remuneration will be applicable for a period effective from October 27, 2023, to March 31, 2028, subject to the shareholder's approval at the Annual General Meeting. The agreement outlining the terms and conditions of Ms. Vinati Saraf Mutreja appointment is available for inspection by the members at the Registered Office of the Company during working hours from 11.00 a.m. to 1.00 p.m. on any working day upto the date of Annual General Meeting.

In the event of inadequacy of profits or losses in the respective financial year, the payment of aforesaid remuneration shall be made, in terms of the provisions of Schedule V to the Act, for a period of three years from October 27, 2023 to October 26, 2026.

The Board has considered the parameters given under Section 200 of the Act, and the rules made thereunder read with Schedule V to the Act for recommending the above re-appointment.

Ms. Vinati Saraf Mutreja is eligible to be appointed as a Director, as she is not disqualified under Section 164(2) of the Companies Act, 2013, and has not been debarred or disqualified by any relevant statutory authorities such as the Securities and Exchange Board of India, the Ministry of Corporate Affairs or any such other Statutory Authority. She fulfils all the conditions outlined in Part-I of Schedule V to the Act, as well as the requirements mentioned in subsection (3) of Section 196 and Section 197(11) of the Act, making her eligible for this appointment.

A brief profile of Ms. Vinati Saraf Mutreja along with other details as required in compliance with Schedule V of the Companies Act, 2013, Listing Regulations and Secretarial Standard 2 on General Meetings issued by ICSI are provided in the "Annexure" to the Notice.

Pursuant to Clause C of Part I read with Part III of Schedule V of the Companies Act, 2013, the Board recommends the appointment and remuneration of Ms. Vinati Saraf Mutreja designated as Managing Director & CEO, liable to retire by rotation.

Ms. Vinati Saraf Mutreja is interested in the resolution set out at Item No. 6 of the Notice. Mr. Vinod Saraf, Executive Chairman and Ms. Viral Saraf MIttal, Director being relatives may be deemed to be interested in the aforesaid resolution. The other relatives of Ms. Vinati Saraf Mutreja may also deemed to be interested in the aforesaid resolutions, to the extent of their shareholding, if any, in the Company. Save and except the above, none of the other Directors/ Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the aforesaid resolution.

This explanatory statement, along with the accompanying Notice, serves as an abstract of the terms of Ms. Vinati Saraf Mutreja appointment as the Managing Director & CEO of the Company, as per the first proviso of sub-section (4) of Section 196, read with Section 190 of the Companies Act, 2013.

The Board of Directors of the Company recommends the Special Resolution as set out in Item No. 6 in the accompanying Notice for approval of the members.

Item No. 7:

Ms. Viral Saraf Mittal was appointed as the Whole Time Director designated as Director CSR & Corporate Strategy of the Company for the period from May 19, 2019, to May 18, 2024, based on the terms & conditions, and remuneration approved by a Ordinary Resolution passed by the members at the 30th Annual General Meeting (referred to as "30th AGM") held on July 27, 2019.

Ms. Viral Saraf Mittal became a part of the Board of Director in 2009. She holds a Bachelors of Science degree in Economics (Finance and Management) from The Wharton School, University of Pennsylvania. With a strong background in the social sector, she has actively volunteered at reputed non-profit organizations such as Pratham and Dasra and she brings her valuable knowledge for the performance of the Company's CSR activities. Considering her capabilities and extensive experience beneficial for the Company, the Nomination and Remuneration Committee recommended her re-appointment as the Whole Time Director designated as Director CSR of the Company to the Board of Directors (referred to as "the Board") in its meeting held on May 19, 2023. The re-appointment will take effect from May 19, 2024, and will continue until March 31, 2029, on terms & conditions as stated in the resolution.

The Board of Directors (referred to as "the Board") pursuant to Section 152, 196 read with Schedule V of the Companies Act, 2013 and the relevant Rules made thereunder and the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, subject to the approval of the members by passing a Special Resolution in the Annual General Meeting, re-appointed Ms. Viral Saraf Mittal as the as the Whole Time Director designated as Director CSR of the Company, in its Board Meeting held on May 19, 2023. This re-appointment will be effective from May 19, 2024, and will extend until March 31, 2029, on terms & conditions as stated in the resolution.

Further, pursuant to Section 197, 198 and Schedule V of the Companies Act, 2013, along with the Companies (Remuneration of Managerial Personnel) Rules, 2014, the Board, based on the recommendations of the Nomination and Remuneration Committee approved the remuneration to be paid to Ms. Viral Saraf Mittal. The said remuneration will be applicable for a period effective from May 19, 2024, to March 31, 2029, subject to the shareholder's approval at the Annual General Meeting. The agreement outlining the terms and conditions of Ms. Viral Saraf Mittal appointment is available for inspection by the members at the Registered Office of the Company during working hours from 11.00 a.m. to 1.00 p.m. on any working day upto the date of Annual General Meeting.

In the event of inadequacy of profits or losses in the respective financial year, the payment of aforesaid remuneration shall be made, in terms of the provisions of Schedule V to the Act, for a period of three years from May 19, 2024 to May 18, 2027.

The Board has considered the parameters given under Section 200 of the Act, and the rules made thereunder read with Schedule V to the Act for recommending the above re-appointment.

Ms. Viral Saraf Mittal is not disqualified from being appointed as a Director in terms of Section 164(2) of the Companies Act, 2013 and has not been debarred or disqualified from being appointed or continuing as Director of a company by the Securities and Exchange Board of India, the Ministry of Corporate Affairs or any such other Statutory Authority. Ms. Viral Saraf Mittal satisfies all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under subsection (3) of Section 196 read with Section 197(11) of the Act for being eligible for this appointment.

A brief profile of Ms. Viral Saraf Mittal along with other details as required in compliance with Schedule V of the Companies Act, 2013, Listing Regulations and Secretarial Standard 2 on General Meetings issued by ICSI are provided in the "Annexure" to the Notice.

Pursuant to Clause C of Part I read with Part III of Schedule V of the Companies Act, 2013, the Board recommends the appointment and remuneration of Ms. Viral Saraf Mittal designated as Director CSR, liable to retire by rotation.

Ms. Viral Saraf Mittal is interested in the resolution set out at Item No. 7 of the Notice. Mr. Vinod Saraf, Executive Chairman and Ms. Vinati Saraf Mutreja, MD & CEO being relatives may be deemed to be interested in the aforesaid resolution. The other relatives of Ms. Viral Saraf Mittal may also deemed to be interested in the aforesaid resolutions, to the extent of their shareholding, if any, in the Company. Save and except the above, none of the other Directors/ Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the aforesaid resolution.

This explanatory statement, along with the accompanying Notice, serves as an abstract of the terms of Ms. Viral Saraf Mittal appointment as the Whole Time Director of the Company, as per the first proviso of sub-section (4) of Section 196, read with Section 190 of the Companies Act, 2013.

The Board of Directors of the Company recommends the Special Resolution as set out in Item No. 7 in the accompanying Notice for approval of the members.

Item no 8:

Mr. Jayesh Ashar was appointed as the Whole Time Director of the Company for the period from February 02, 2021, to March 31, 2024, based on the terms & conditions and remuneration approved by a Special Resolution passed by the members at the 32nd Annual General Meeting (referred to as "32nd AGM") held on July 3, 2021.

With a Bachelor of Engineering degree in Chemical Engineering and a Master's in Management Studies (Operations) from Mumbai University, Mr. Jayesh Ashar possesses extensive

and diverse experience in the Chemical business industry. He has actively contributed to the operations and management of the Company for over 31 years. Recognizing the value of his capabilities and rich experience for the Company, and based on the recommendations of the Nomination and Remuneration Committee, Mr. Jayesh Ashar has been re-appointed as the Whole Time Director by the Board of Directors (referred to as "the Board") in its meeting held on May 19, 2023. His appointment will be effective from April 01, 2024, until March 31, 2027.

Under the terms of his re-appointment, Mr. Jayesh Ashar will receive a basic monthly salary of ₹ 6,35,000/- (Rupees Six lakh Thirty Five Thousand) along with applicable perquisites, as specified in the agreement between the Company and Mr. Jayesh Ashar, which outlines the terms and conditions of his appointment. This agreement is available for inspection by the members at the Registered Office of the Company on any working day between 11.00 a.m. and 1.00 p.m upto the date of Annual General Meeting.

In the event of inadequacy of profits or losses in the respective financial year, the payment of aforesaid remuneration shall be made, in terms of the provisions of Schedule V to the Act, for a period of three years from April 01, 2024 to March 31, 2027.

The Board has considered the parameters given under Section 200 of the Act, and the rules made thereunder read with Schedule V to the Act for recommending the above re-appointment.

The Board of Directors at their meeting held on, May 19, 2023, based on the recommendations of the Nomination and Remuneration Committee has approved the above-mentioned remuneration of Mr. Jayesh Ashar, in accordance with the provisions of Section 197, 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), for the period effective from April 01, 2024, to March 31, 2027, subject to the approval of the shareholders at the Annual General Meeting.

Mr. Jayesh Ashar is not disqualified from being appointed as a Director in terms of Section 164(2) of the Companies Act, 2013 and has not been debarred or disqualified from being appointed or continuing as Director of a company by the Securities and Exchange Board of India, the Ministry of Corporate Affairs or any such other Statutory Authority. Mr. Jayesh Ashar satisfies all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under subsection (3) of Section 196 read with Section 197(11) of the Act for being eligible for this appointment.

A brief profile of Mr. Jayesh Ashar along with other details as required in compliance with Schedule V of the Companies Act, 2013, Listing Regulations and Secretarial Standard 2 on General Meetings issued by ICSI are provided in the "Annexure" to the Notice.

Pursuant to Clause C of Part I read with Part III of Schedule V of the Companies Act, 2013, the Board recommends the appointment and remuneration of Mr. Jayesh Ashar, whose office is liable to retire by rotation.

Mr. Jayesh Ashar is interested in the resolution set out in Item No. 8 of the Notice.

Save and except the above, none of the other Directors/ Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the aforesaid resolution.

This explanatory statement, along with the accompanying Notice, serves as an abstract of the terms of Mr. Jayesh Ashar appointment as the Whole Time Director of the Company, as per the first proviso of sub-section (4) of Section 196, read with Section 190 of the Companies Act, 2013.

The Board of Directors of the Company recommends the Special Resolution as set out in Item No. 8 in the accompanying Notice for approval of the members.

Item no 9:

Appointment of Ms. Mona Bhide (DIN: 05203026) as an Independent Director for the Second Term.

Ms. Mona Bhide currently serves as an Independent Non-Executive Director of the Company and is a member of the Audit Committee and Nomination and Remuneration Committee. She joined the Board on October 27, 2018. She was appointed as an Independent Director for a term of five consecutive years, which was approved by the Members of the Company through a resolution on July 27, 2019. Her first term is set to conclude on October 26, 2023.

Based on her performance evaluation, skills, vast experience and expertise the Nomination and Remuneration Committee of the Board of Directors has recommended the re-appointment of Ms. Mona Bhide as an Independent Director for a second term of five consecutive years, starting from October 27, 2023, and ending on October 26, 2028. The Board acknowledges the benefit and desirability of retaining her services as an Independent Director for the Company's best interests. Therefore, it is proposed to re-appoint Ms. Mona Bhide as an Independent Director on the Board for a second term of five consecutive years, exempt from retirement by rotation.

She is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director. The Company has also received a declaration from her stating that she meets the criteria of independence as prescribed under Section 149(6) of the Act

and under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

Copy of the draft letter of appointment proposed to be issued to Ms. Mona Bhide setting out the terms and conditions of her appointment is available for inspection by the Members at the registered office of the Company during office hours 11.00 a.m. to 1.00 p.m. on all the working days upto the date of the Annual General Meeting.

In accordance with the provisions of Section 149 read with Schedule IV to the Act and Listing Regulations, the appointment of an Independent Director for her second term requires the approval of Members by way of a Special Resolution. Accordingly, the approval of the Members of the Company is being sought by way of a Special Resolution.

None of the other Directors, Promoters and Key Managerial Personnel of the Company and their relatives, except for Ms. Mona Bhide or his relatives, to the extent of their shareholding, if any in the Company, are in any way concerned or interested, financially or otherwise, in the resolution.

The Board of Directors recommends the Special Resolution as set out in Item No. 9 of the accompanying notice for approval of the Members.

For and on behalf of the Board of Directors

Milind Wagh
Company Secretary
Membership No. FCS-7125

Registered Office:
B-12 & B-13/1, MIDC Industrial Area,
Mahad – 402 309, Dist. Raigad, Maharashtra.
Tel No.: 022-61240444/428, Fax No.: 022-61240438
Email: shares@vinatiorganics.com
Website: www.vinatiorganics.com
CIN: L24116MH1989PLC052224
Mumbai, May 19, 2023

The following is the statement of information to the shareholders pursuant to Section II of Part II of Schedule V of the Companies Act, 2013 with reference to the Resolutions at Item Nos. 5 to 8 of the Notice.

I.	**General Information:**	
1.	Nature of Industry	Chemical Industry
2.	Date or expected Date of commencement of commercial production	The Company started its commercial production in the year 1989 – 90.
3.	In case of new companies, expected date of commencement of new activities as per project approved by the financial institutions appearing in the prospectus	Not Applicable
4.	Financial performance based on Standalone basis given indicators	(₹ in Lakhs)

Sr. No.	Remarks	2022-23	2021-22	2020-21
1.	Turnover	215713.27	167647.42	98011.36
2.	Profit Before Tax	61529.06	44930.59	33525.51
3.	Net Profit	45746.96	34639.22	26914.74
4.	Paid-up Share Capital	1027.82	1027.82	1027.82
5.	Reserves & Surplus	220852.02	181785.89	153313.58

5.	Foreign investments or collaborators, if any	Nil

II.	**Information about the Appointees**		
1.	Name of Appointee	Mr. Vinod Saraf	Ms. Vinati Saraf Mutreja
2.	Background Details	Mr. Vinod Saraf is a Management graduate from BITS. Mr. Vinod Saraf, the founder of Vinati Organics Limited (VOL), possesses extensive experience of over 51 years in the Indian Chemical Industry. Before establishing VOL in the year 1989, he held prominent positions at Bhilwara Group, Modern Syntex (I) Ltd., and Grasim Industries and was nominated as the Managing Director of Mangalore Refinery & Petrochemicals Ltd. (MRPL). With his robust leadership and effective management style, the revenue of VOL has grown exponentially to ₹ 215713.27 Lakh in the Financial Year 2022-23.	Ms. Vinati Saraf Mutreja holds degree in Bachelor's of Science in Economics (Finance) from The Wharton School and Bachelors in Applied Science from the School of Engineering (University of Pennsylvania). Ms. Vinati Saraf Mutreja became a part of Vinati Organics Limited (VOL) in 2006. With over 18 years of experience in the managerial team at VOL, she plays a pivotal role in leading the Marketing, Finance, and Operations functions of the Company. Her remarkable achievements have gained recognition globally, as she was honored with a place on the World Economic Forum's Young Global Leader list. Additionally, she has been featured on Forbes Asia's Power Businesswomen list, further solidifying her position as a prominent figure in the business world.
3.	Past Remuneration	Mr. Vinod Saraf drew an aggregate remuneration of ₹ 202.51 Lakh, by way of Salary, Perquisites, etc. for the financial year 2022-23.	Ms. Vinati Saraf Mutreja drew an aggregate remuneration of ₹ 150.75 Lakh, by way of Salary, Perquisites, etc. for the financial year 2022-23.

II.	Information about the Appointees		
4.	Recognition or awards	He was honored as the recipient of the prestigious 2019 HURUN India Selfmade Entrepreneur of the Year award.	She was honored with a place on the World Economic Forum's Young Global Leader list. Additionally, she has been featured on Forbes Asia's Power Businesswomen list.
5.	Job profile and her suitability	Mr. Vinod Saraf is the founder of the Company and has been serving the Company in the capacity of Executive Chairman w.e.f. October 27, 2018. He has over five decades of experience in the chemical industry. The Company has immensely benefitted from his experience, knowledge and deep understanding of the business. As Executive Chairman, Mr. Vinod Saraf has contributed enormously towards the growth of the Company. Looking at the invaluable contributions towards the growth of the Company, overall exposure and experience of Mr. Vinod Saraf in diversified areas and the responsibilities to be shouldered by him, the Board is of the view that he is suitable for the position.	Ms. Vinati Saraf Mutreja joined the Board in 2006 as a Whole Time Director designated as Executive Director of the Company for the period of five years effective from May 20, 2006. Due to her leadership in management and contribution to Company growth, the Board of Directors elevated the position of Ms. Vinati Saraf Mutreja in the Company from time to time. Currently, she has been appointed as Managing Director & CEO of the Company for five years period from October 27, 2018, until October 26, 2023, at the 30th Annual General Meeting held on July 27, 2019. Looking at the invaluable contributions towards the growth of the Company, overall exposure and experience of Ms. Vinati Saraf Mutreja in diversified areas and the responsibilities to be shouldered by her, the Board is of the view that she is suitable for the position.
6.	Remuneration proposed	As mentioned in Explanatory Statement.	As mentioned in Explanatory Statement.
7.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin):	Considering the size of the Company, the industry benchmarks, experience and the responsibilities shouldered by the appointee, the proposed remuneration payable to Mr. Vinod Saraf is commensurate with the remuneration paid to similar appointees in other companies.	Considering the size of the Company, the industry benchmarks, experience and the responsibilities shouldered by the appointee, the proposed remuneration payable to Ms. Vinati Saraf Mutreja is commensurate with the remuneration paid to similar appointees in other companies.
8.	Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any.	Mr. Vinod Saraf is a promoter director and directly holds 1,39,00,582 equity shares i.e. 13.52% of the total paid-up share capital of the Company as on March 31, 2023. Further, apart from receiving remuneration as a Whole Time Director and dividends as a Shareholder, he has no other pecuniary relationship, directly or indirectly with the Company. Except for the proposed remuneration, promoter shareholder of the Company and being the father of Ms. Vinati Saraf Mutreja, MD & CEO and Ms. Viral Saraf Mittal, Director - CSR, Mr. Vinod Saraf does not have any pecuniary relationship directly or indirectly with the Company or managerial personnel or Key Managerial Personnel of the Company.	Ms. Vinati Saraf Mutreja is a promoter director and directly holds 12,10,620 equity shares i.e. 1.18% of the total paid-up share capital of the Company as on March 31, 2023. Further, apart from receiving remuneration as a Managing Director & CEO and dividends as a Shareholder, she has no other pecuniary relationship, directly or indirectly with the Company. Except for the proposed remuneration, promoter shareholder of the Company and being the daughter of Mr. Vinod Saraf, Executive Chairman and sister of Ms. Viral Saraf Mittal, Director - CSR, Ms. Vinati Saraf Mutreja does not have any pecuniary relationship directly or indirectly with the Company or managerial personnel or Key Managerial Personnel of the Company.

II.	Information about Appointees		
1.	Name of Appointee	Ms. Viral Saraf Mittal	Mr. Jayesh Ashar
2.	Background Details	Ms. Viral Saraf Mittal holds degree in Bachelors of Science degree in Economics (Finance and Management) from The Wharton School, University of Pennsylvania. Ms. Viral Saraf Mittal joined the Board of Vinati Organics Limited (VOL) in 2009, bringing with her a strong educational background and a passion for making a positive impact. In addition to her professional role at the Company, Ms. Viral Saraf Mittal has actively engaged in social causes. She spends her time and expertise at esteemed non-profit organizations like Pratham and Dasra, where she has contributed to their noble initiatives. With her deep understanding of the social sector, Ms. Viral Saraf Mittal plays a significant role in VOL's Corporate Social Responsibility (CSR) programme, leveraging her knowledge to drive meaningful change.	Mr. Jayesh Ashar is a Bachelor of Engineering (Chemical) and Master's in Management Studies (Operation) from Mumbai University. Mr. Jayesh Ashar possesses extensive and diverse experience in the Chemical business industry. He has actively contributed to the operations and management of the Company for over 31 years.
3.	Past Remuneration	Ms. Viral Saraf Mittal drew an aggregate remuneration of ₹ 85.93 Lakh, by way of Salary, Perquisites, etc. for the financial year 2022-23.	Mr. Jayesh Ashar drew an aggregate remuneration of ₹ 122.65 Lakh, by way of Salary, Perquisites, etc. for the financial year 2022-23.
4.	Recognition or awards	-	-
5.	Job profile and her suitability	Ms. Viral Saraf Mittal joined the Board in 2009 as a Whole Time Director designated as Director Corporate Strategy of the Company for the period of five years effective from May 19, 2009. Due to her performance, leadership and contribution to Company growth, the Board of Directors elevated the position of Ms. Viral Saraf Mittal in the Company from time to time. Currently, she is appointed as Whole Time Director designated as Director CSR & Corporate Strategy of the Company for the five-year period effective from May 19, 2019, at the 30th Annual General Meeting held on July 27, 2019. Looking at the invaluable contributions towards the growth of the Company, overall exposure and experience of Ms. Viral Saraf Mittal in diversified areas and the responsibilities to be shouldered by her, the Board is of the view that she is suitable for the position.	Mr. Jayesh Ashar is a senior professional in the chemical industry with rich and diversified experience in the industry. He is responsible for the overall operations division of the Company. Considering his invaluable contributions towards the growth of the Company throughout his association with the Company, the Board is of view that Mr. Jayesh Ashar should continue with the position of Whole Time Director of the Company and has accordingly recommended his re-appointment and remuneration as set out in this Notice for approval of the shareholders.
6.	Remuneration proposed	As mentioned in Explanatory Statement.	As mentioned in Explanatory Statement.

II.	**Information about Appointees**		
7.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin):	Considering the size of the Company, the industry benchmarks, experience and the responsibilities shouldered by the appointee, the proposed remuneration payable to Ms. Viral Saraf Mittal is commensurate with the remuneration paid to similar appointees in other companies.	Considering the size of the Company, the industry benchmarks, experience and the responsibilities shouldered by the appointee, the proposed remuneration payable to Mr. Jayesh Ashar is commensurate with the remuneration paid to similar appointees in other Companies.
8.	Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any.	Ms. Viral Saraf Mittal is a promoter director and directly holds 10,42,366 equity shares i.e. 1.01% of the total paid-up share capital of the Company as on March 31, 2023. Further, apart from receiving remuneration as a Whole Time Director designated as Director CSR and dividends as a Shareholder, she has no other pecuniary relationship, directly or indirectly with the Company. Except for the proposed remuneration, promoter shareholder of the Company and being the daughter of Mr. Vinod Saraf, Executive Chairman and sister of Ms. Vinati Saraf Mutreja, Managing Director & CEO, Ms. Viral Saraf Mittal does not have any pecuniary relationship directly or indirectly with the Company or managerial personnel or Key Managerial Personnel of the Company.	Except for the proposed remuneration Shri Ashar does not have any pecuniary relationship directly or indirectly with the Company or Key Managerial Personnel (KMP) of the Company.

III.	**Other Information**	
1.	Reasons of loss or inadequate profits	The management is not anticipating inadequacy of profits anytime during the tenure of re-appointing directors however, the operations of the Company may get affected by factors outside the control of the Company like change in government policy for the Chemical Industry, business risks, etc.
2.	Steps taken or proposed to be taken for improvement	The Company is earning profits and it would be the endeavour of the management to increase profitability by focusing on cost control, introducing new products, exploring new markets etc.
3.	Expected increase in productivity and profits in measurable terms	The management expects normal growth in operations and profitability in the coming years, subject to unforeseen circumstances. The Company is continuously taking steps to reduce costs and optimise the operations of the Company.

The details of the Director seeking appointment / re-appointment at the forthcoming Annual Genral Meeting pursuant to Regulation 26 (4) and 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2 issued by The Institute of Company Secretaries of India, are furnished below: -

Name of Director	Mr. Vinod Saraf	Ms. Vinati Saraf Mutreja	Ms. Viral Saraf Mittal
DIN	00076708	00079184	02666028
Date of birth	16.06.1950	03.05.1984	28.10.1986
Date of first appointment on the Board	15.06.1989	20.05.2006	19.05.2009
Expertise in specific functional areas	Mr. Vinod Saraf, the founder of Vinati Organics Limited (VOL), possesses extensive experience of over 51 years in the Indian Chemical Industry. Before establishing VOL, he held prominent positions at Bhilwara Group, Modern Syntex (I) Ltd., and Grasim Industries and was nominated as the Managing Director of Mangalore Refinery & Petrochemicals Ltd. (MRPL). His remarkable achievements and contributions led to him being honored as the recipient of the prestigious 2019 HURUN India Selfmade Entrepreneur of the Year award.	Ms. Vinati Saraf Mutreja became a part of Vinati Organics Limited (VOL) in 2006. With over 18 years of experience in the managerial team at VOL, she plays a pivotal role in leading the Marketing, Finance, and Operations functions of the Company. Her remarkable achievements have gained recognition globally, as she was honored with a place on the World Economic Forum's Young Global Leader list. Additionally, she has been featured on Forbes Asia's Power Businesswomen list, further solidifying her position as a prominent figure in the business world.	Ms. Viral Saraf Mittal joined Vinati Organics Limited (VOL) in 2009, bringing with her a strong educational background and a passion for making a positive impact. In addition to her professional role at VOL, Ms. Mittal has actively engaged in social causes. She spend her time and expertise at esteemed non-profit organizations like Pratham and Dasra, where she has contributed to their noble initiatives. With her deep understanding of the social sector, Ms. Mittal plays a significant role in VOL's Corporate Social Responsibility (CSR) programme, leveraging her knowledge to drive meaningful change.
Qualifications	Management graduate from BITS	Bachelor's of Science in Economics (Finance) from The Wharton School and Bachelors in Applied Science from the School of Engineering (University of Pennsylvania)	Bachelors of Science degree in Economics (Finance and Management) from The Wharton School, University of Pennsylvania.
Skills and capabilities required for the role and the manner in which the Directors meet the requirements	Refer to Item No. 5 of the Notice and Explanatory Statement	Refer to Item No. 6 of the Notice and Explanatory Statement	Refer to Item No. 7 of the Notice and Explanatory Statement
Directorships in other Companies (excluding foreign companies)	a. Viral Alkalis Limited. b. Veeral Additives Private Limited. c. Suchir Chemicals Private Limited. d. Nishit Pharma Chem Private Limited. e. Veeral Organics Private Limited.		
Membership/ Chairpersonship of Committees in other companies (excluding foreign companies)	Nil		
Listed entities from which the Director has resigned from Directorship in the last 3 (three) years	Nil		

Name of Director	Mr. Vinod Saraf	Ms. Vinati Saraf Mutreja	Ms. Viral Saraf Mittal
Terms and conditions of Appointment/ Re-appointment	As Per Agreement		
Details of remuneration last drawn (FY 2022-23) (including sitting fees, if any)	Salary, Perquisites and Allowance: ₹ 202.51 Lakh	Salary, Perquisites and Allowance: ₹ 150.75 Lakh	Salary, Perquisites and Allowance: ₹ 85.93 Lakh
Details of remuneration sought to be paid	As Per Agreement and/or Resolution		
Number of Meetings of the Board Attended during the Year	4	4	3
Number of Shares held in the Company as at March 31, 2023	1,39,00,582	12,10,620	10,42,366
Relationship between Directors inter-se	Relatives and/or Promoters		

Name of Director	Mr. Jayesh Ashar	Ms. Mona Bhide
DIN	00041532	05203026
Date of birth	09.03.1964	17.04.1963
Date of first appointment on the Board	02.02.2021	28.10.2018
Expertise in specific functional areas	Mr. Jayesh Ashar possesses extensive and diverse experience in the Chemical business industry. He has actively contributed to the operations and management of the Company for over 31 years	Ms. Mona Bhide has been in legal practice since the year 1989 and is the Managing Partner of Dave & Girish & Co. Advocates. Her practice revolves around corporate law, securities and banking transactions, capital markets, structured finance, securitisation, swaps, derivatives, mergers and acquisitions and restructuring. She holds an LLB degree from University of Mumbai and an LLM degree from Northwestern University, School of Law, Chicago. Currently, she is also on the Board of the National Stock Exchange of India Limited, Datamatics Global Services Limited and PCS Technology.
Qualifications	Bachelor of Engineering (Chemical) and Master in Management Studies (operation) from Mumbai University	B. Com, LL.B. from University of Mumbai, LL.M. from Northwestern University, School of Law, Chicago
Skills and capabilities required for the role and the manner in which the Directors meet the requirements	Refer to Item No. 8 of the Notice and Explanatory Statement	Refer to Item No. 9 of the Notice and Explanatory Statement
Directorships in other Companies (excluding foreign companies)	a. Veeral Additives Private Limited.	a. Datamatics Global Services Limited b. PCS Technology Limited c. National Stock Exchange of India Limited
Membership/ Chairpersonship of Committees in other companies (excluding foreign companies)	Nil	a. Member of the Corporate Social Responsibility Committee of PCS Technology Limited.

Name of Director	Mr. Jayesh Ashar	Ms. Mona Bhide
Listed entities from which the Director has resigned from Directorship in the last 3 years	Nil	a. GIC Housing Finance Limited
Terms and conditions of Appointment/ Re-appointment	As per Agreement	As per letter of appointment.
Details of remuneration last drawn (FY 2022-23) (including sitting fees, if any)	Salary, Perquisites and Allowance: ₹ 122.65 Lakh	Sitting Fees: ₹ 2.75 Lakh
Details of remuneration sought to be paid	As Per Agreement	Sitting Fees as approved by the Board of Directors
Number of Meetings of the Board Attended during the Year	4	3
Number of Shares held in the Company as at March 31, 2023	0	0
Relationship between Directors inter-se	None	None

The Instructions for Members for Remote E-Voting and joining General Meeting are as under:

The remote e-voting period begins on Tuesday, September 5, 2023 at 09:00 A.M. and ends on Thursday, September 7, 2023 at 05:00 P.M. 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. Friday, September 1, 2023, 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 Friday, September 1, 2023.

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 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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.	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 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. 2. 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

Type of shareholders	Login Method
	3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider 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. 4. Shareholders/Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience.
Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. 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 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. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
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 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.co.in or call at 022 - 4886 7000 and 022 - 2499 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?

1. 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.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section.

3. 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***

5. Password details for shareholders other than Individual shareholders are given below:

   a) If you are already registered for e-Voting, then you can user 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.co.in 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 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.

General Guidelines for shareholders

1. 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.

2. 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 and 022 - 2499 7000 or send a request to Ms. Pallavi Mhatre, Senior Manager at evoting@nsdl.co.in.

3. You can also update your mobile number and email ID in the user profile details of the folio which may be used for sending future communication(s).

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 shares@vinatiorganics.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 shares@vinatiorganics.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.co.in for procuring user id and password for e-voting by providing above mentioned documents.

4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are 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 AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is the same as the instructions mentioned above for remote e-voting.

2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the 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 AGM shall be the same person mentioned for Remote e-voting.

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

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system.** After successful login, you can see link of "VC/OAVM" placed under "**Join meeting**" menu against 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 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.

5. Members who would like to express their views/ ask questions as a Speaker at the AGM may preregister themselves by sending a request from their registered email ID mentioning their names, DP ID and Client ID/folio number, PAN and mobile number to shares@vinatiorganics.com latest by **Tuesday, September 5, 2023 (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.

6. Shareholders who would like to express their views/ have questions may also send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at shares@vinatiorganics.com latest by **Tuesday, September 5, 2023**. The same will be replied by the company suitably.

Notes

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