Amal Speciality Chemicals Ltd

Annual Report 2022-23

Contents

Growth is the only evidence of life.

~ John Henry

Forward looking statements

In this annual report, we have shared information and made forward looking statements to enable investors to know our product portfolio, business logic and direction and thereby comprehend our prospects. Such statements that we make are based on our assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'believe', 'estimate', 'intend', 'plan', 'project' or words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward looking statements will be realised although we believe we have been prudent in our assumptions. The actual results may be affected because of uncertainties, risks and even inaccurate assumptions. If uncertainties or known or unknown risks materialise or if underlying assumptions prove inaccurate, actual results can vary materially from those anticipated, believed, estimated, intended, planned or projected. We undertake no obligation to publicly update any forward looking statements, whether as a result of new information, future events or otherwise.

Corporate identity

Amal Speciality Chemicals Ltd is a wholly-owned subsidiary company of Amal Ltd. The Company is engaged in the manufacturing and marketing of bulk chemicals such as Sulphuric acid 98%, Oleum 25%, Oleum 65% and liquid Sulfur trioxide.

The plant located in Ankleshwar, Gujarat, India has a production capacity of 300 tpd.

Purpose

We are committed to significantly enhancing value for our stakeholders by:

- fostering a spirit of continuous learning and innovation
- adopting developments in science and technology
- providing high quality product and services, thus becoming the most preferred partner
- having people who practice Values and exemplify a high standard of behaviour
- seeking sustained, dynamic growth and securing long-term success
- taking responsible care of the surrounding environment
- improving the quality of life of the communities we operate in

Values

In an environment where change is a way of life, continuity of Values provides stability and is fundamental to us. We have therefore formalised key Values and are committed to institutionalising them. We will seek to create an environment wherein these Values are consistently practised and nurtured and ensured that they are not compromised.

INTEGRITY

Working with honesty, following the highest standards of professionalism. Integrity is when our decisions and actions remain consistent with our thoughts and words, written or spoken.

UNDERSTANDING

How well we work with others depends on our ways to connect and this in turn is based on our level of understanding of human relationships. This certainly does not mean that we accept poor performance, but that we do it the right way. Understanding is the external manifestation of internal realisation.

UNITY

Working together and taking advantage of synergy while harnessing unique abilities of each of us to achieve a larger goal. Unity is the realisation that though we may work in different areas, we are finally interconnected and that interdependence is a higher order of living than independence. Though we may be many, we share a common purpose.

RESPONSIBILITY

Delivering value and taking ownership of actions. Responsibility must also give us the realisation that what is good for the business must be in the overall good. In essence, we must work with a spirit of trusteeship for the shareholders and other stakeholders. What comes to us must be returned many times over.

EXCELLENCE

A drive that is more from inside than outside; it is about us seeking to continuously improve and develop an eye for innovation even in day to day work. Excellence is about excelling in everything we do and not giving up. Excellence is also a journey, not simply a destination in itself.

Board of Directors

Rajeev Kumar

Syamal De

Yogesh Vyas

Ankit Mankodi

Directors' Report

Dear Members,

The Board of Directors (Board) presents the annual report of Amal Speciality Chemicals Ltd together with the audited Financial Statements for the year ended on March 31, 2023.

01. Financial results

(₹ lakhs)

	2022-23	2021-22
Revenue from operations	2,305.86	-
Other income	0.07	0.07
Total revenue	2,305.93	0.07
Loss before tax	(1,654.81)	(56.27)
Tax	-	0.25
Loss for the year	(1,654.81)	(56.52)

02. Performance

The Company has implemented a 300 tpd Sulfuric acid plant. The operations of the plant were commissioned on July 21, 2022. The Company achieved revenue of ₹ 2,305.86 lakhs during the first year of its operations and incurred a loss of ₹ 1,654.81 lakhs because of high input cost, high interest and depreciation.

03. Dividend

The Board did not recommend any dividend on the equity shares for the financial year ended on March 31, 2023.

04. Energy conservation, technology absorption and foreign exchange earnings and outgo

Information required under Section 134(3)(m) of the Companies Act, 2013, read with Rule 8(3) of the Companies (Accounts) Rules, 2014, as amended from time to time, forms part of this report, which is given on page number 10.

05. Insurance

The Company has taken adequate insurance to cover the risks to its employees, property (land and building), plant, equipment, other assets and third parties.

06. Risk management

Risk management is an integral part of the business practices of the Company. The framework of risk management concentrates on formalising a system to deal with the most relevant risks, building on existing management practices, knowledge and structures. With the help of a reputed international consultancy firm, the Company has developed and implemented a comprehensive risk management system to ensure that risks to the continued existence of the Company as a going concern and to its growth are identified and remedied on a timely basis. While defining and developing the formalised risk management system, leading standards and practices have been considered. The risk management system is relevant to business reality, pragmatic and simple and involves the following:

i) Risk identification and definition - Focuses on identifying relevant risks, creating |

updating clear definitions to ensure undisputed understanding along with details of the underlying root causes | contributing factors.

ii) Risk classification - Focuses on understanding the various impacts of risks and the level of influence on their root causes. This involves identifying various processes, generating the root causes and a clear understanding of risk inter-relationships.

iii) Risk assessment and prioritisation - Focuses on determining risk priority and risk ownership for critical risks. This involves assessment of the various impacts taking into consideration risk appetite and the existing mitigation controls.

iv) Risk mitigation - Focuses on addressing critical risks to restrict their impact(s) to an acceptable level (within the defined risk appetite). This involves a clear definition of actions, responsibilities and milestones.

v) Risk reporting and monitoring - Focuses on providing to the Audit Committee and the Board, periodic information on risk profile evolution and mitigation plans.

07. Internal financial controls

The internal financial controls over financial reporting are designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the Financial Statements. These include those policies and procedures that:

i) pertain to the maintenance of records, which in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company,

ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of the Financial Statements in accordance with Generally Accepted Accounting Principles and that receipts and expenditures are being made only in accordance with authorisations of the Management and the Directors of the Company,

iii) provide reasonable assurance regarding the prevention or timely detection of unauthorised acquisition, use or disposition of the assets that can have a material effect on the Financial Statements. A reputed international consultancy firm has reviewed the adequacy of the internal financial controls with respect to the Financial Statements.

The Management assessed the effectiveness of the internal financial controls over financial reporting as of March 31, 2023, and the Board believes that the controls are adequate.

08. Fixed deposits

During 2022-23, the Company did not accept any fixed deposits.

09. Loans, guarantees, investments and security

During 2022-23, the Company did not give any loan, provide guarantee or make any investment.

10. Subsidiary, joint venture and associate company

The Company does not have any subsidiary, joint venture or associate company.

11. Related party transactions

All the transactions entered into with the related parties were in ordinary course of business and on arm's length basis. Details of such transactions are given on page number 62. No transactions were entered into by the Company that required disclosure in Form AOC-2.

12. Corporate social responsibility

The provisions of Section 135 of the Act are not applicable to the Company.

13. Annual return

Annual return for 2022-23 is available for inspection at the registered office of the Company.

14. Auditors

Deloitte Haskins & Sells LLP, Chartered Accountants issued the Auditor's Report for the financial year ended on March 31, 2023.

The Auditor's Report does not contain any qualification, reservation or adverse remark. The report is enclosed with the Financial Statements in this annual report.

15. Directors' responsibility statement

Pursuant to Section 134(5) of the Companies Act, 2013, the Directors confirm that, to the best of their knowledge and belief:

15.1 In preparation of the annual accounts for the financial year ended on March 31, 2023, the applicable accounting standards have been followed and there are no material departures.

15.2 The accounting policies were selected and applied consistently and judgements and estimates thus made were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period.

15.3 Proper and sufficient care was taken 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.

15.4 The attached annual accounts for the year ended March 31, 2023, were prepared on a going concern basis.

15.5 Adequate internal financial controls to be followed by the Company were laid down and the same were adequate and operating effectively.

15.6 Proper systems were devised to ensure compliance with the provisions of all applicable laws and the same were adequate and operating effectively.

16. Directors

16.1. Appointments | Reappointments | Cessations

16.1.1. According to the Articles of Association of the Company, Mr Syamal De retires by rotation and being eligible, offers himself for reappointment at the forthcoming Annual General Meeting.

16.2. Policy on appointment and remuneration

The salient features of the Policy are as under:

16.2.1. Appointment

While appointing the Directors, the Board considers the following factors:

i) Qualification: well-educated and experienced in senior leadership positions in industry | profession

ii) Trait: positive attributes and qualities

iii) Independence: criteria prescribed in Section 149(6) of the Companies Act, 2013 for the Independent Directors, including no pecuniary interest and conflict of interest

16.2.2. Remuneration of the Non-executive Directors

i) Sitting fees: nil

ii) Commission: nil

17. Key Managerial Personnel and other employees

17.1 Appointments and cessations of Key Managerial Personnel

There were no appointments | cessations of the Key Managerial Personnel during 2022-23.

17.2. Remuneration

The Remuneration Policy of the Key Managerial Personnel and other employees consists of the following:

17.2.1. Components:

i) Fixed pay

a. Basic salary

b. Allowances

c. Perquisites

d. Retirals

ii) Variable pay

17.2.2. Factors for determining and changing fixed pay:

i) Existing compensation

ii) Education

iii) Experience

iv) Salary bands

v) Performance

vi) Market benchmark

17.2.3. Factors for determining and changing variable pay:

i) Business performance

ii) Individual performance

iii) Work level

18. Analysis of remuneration

There is no employee who falls within the criteria provided in Section 134(3)(q) and Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The Company is therefore not required to disclose the required information.

19. Management Discussion and Analysis

The Management Discussion and Analysis covering performance of the Company is given on page number 11.

20. Corporate Governance Report

20.1. Report

The Corporate Governance Report is given on page number 12. Details about the number of meetings of the Board held during 2022-23 are given on page number 15.

20.2. Secretarial standards

Standards as applicable to the Company were followed and complied with during 2022-23.

20.3. Prevention, prohibition and redressal of sexual harassment

Details required under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules thereunder are given on page number 16.

21. Acknowledgements

The Board expresses its sincere thanks to all the employees, suppliers, investors, lenders, regulatory and government authorities for their support.

For and on behalf of the Board of Directors

	(Rajeev Kumar)	(Yogesh Vyas)
Mumbai	**Director**	**Director**
April 19, 2023	DIN: 07731459	DIN: 08914578

Annexure to the Directors' Report

1. Energy conservation, technology absorption and foreign exchange earnings and outgo

Information required under Section 134(3)(m) of the Companies Act, 2013, read with Rule 8(3) of the Companies (Accounts) Rules, 2014 as amended from time to time, forms a part of this report. However, as per the provisions of Section 136 of the Companies Act, 2013 the report and accounts are being sent to all the members excluding the information relating to conservation of energy, technology absorption, foreign exchange earnings and outgo.

Management Discussion and Analysis

Amal Speciality Chemicals Ltd is a wholly-owned subsidiary company of Amal Ltd. The Company is engaged in the manufacturing and marketing of bulk chemicals such as Sulphuric acid 98%, Oleum 25%, Oleum 65% and liquid Sulfur trioxide. The plant is located in Ankleshwar, Gujarat, India.

These chemicals find their use in several industries like Dyestuff, Fertiliser, Personal Care, Petrochemical, Pharmaceutical, Textile, etc. These chemicals are generally sold locally within a radius of 200 km from the manufacturing site.

The Company was incorporated on October 12, 2020 and has implemented a 300 tpd Sulfuric acid plant. The operations of the Company started in the quarter that ended on September 30, 2022. The Company achieved a revenue from operations of ₹ 2,305.86 lakhs during the first year of operations. The world market for Sulphuric acid is estimated at 283 mn mt per annum and the Indian market is 160 lakhs mt per annum. The world and Indian markets are growing by about 3% per annum.

The manufacturing plant of the Company at Ankleshwar has an installed capacity of 300 mt per day of Sulphuric acid (including downstream products). Optimising the product mix is a key factor. The way to succeed in these products is to ensure high capacity utilisation, excellent conversion efficiency and full deployment of the by-product, steam.

The products manufactured by the Company are commodity in nature whose prices and contributions fluctuate significantly. The price of the key raw material, Sulphur, varies from month to month. There are many uncertainties associated with this market, the Company is working to minimise the impact of such aberrations to sustain the operations and identify new opportunities to grow.

INTERNAL CONTROL SYSTEMS

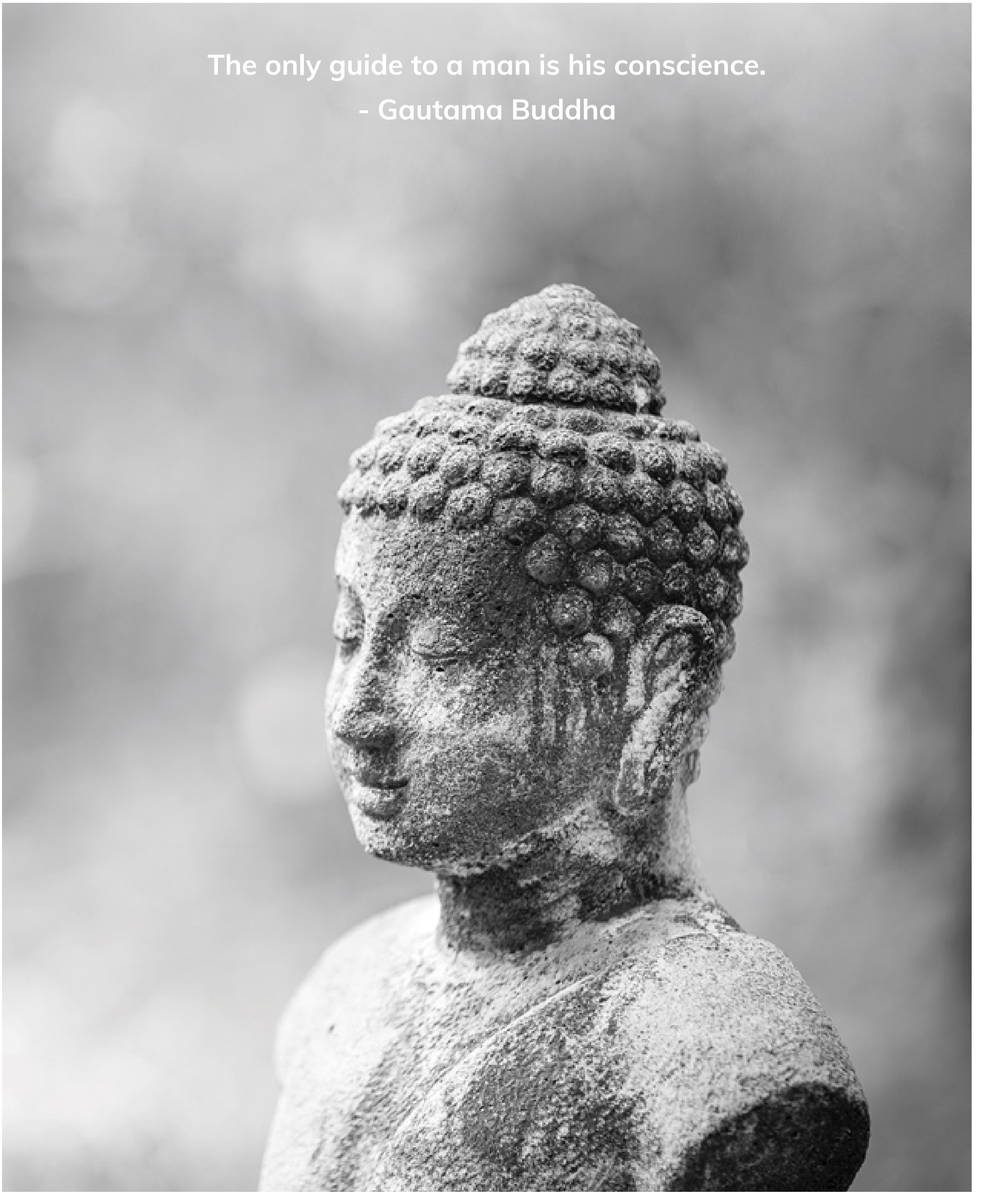
The internal control systems of the Company are commensurate with the nature of its business and the size and complexity of its operations. These are routinely tested, certified and upgraded wherever required by the Statutory as well as the Internal Auditors covering all key areas of business. Significant audit observations and follow-up actions and recommendations thereon are reported to the Senior Management and the Board for their review.

HUMAN RESOURCES

The Company believes that people are the foundation on which the business is built, and this remains a key focus area. It continued with its drive to institutionalise and upgrade HR processes. In particular, it focused on improving its processes related to recruitment, training and development, performance management and succession planning in order to manage a dynamic and growing business.

The training needs are identified based on self-assessment and L+1 assessment. In addition, there are certain standard courses which everyone is expected to go through, depending upon his (her) grade.

Corporate Governance Report



1. **Philosophy**

Transparency and accountability are the two basic tenets of Corporate Governance. Amal Speciality Chemicals Ltd is proud to belong to a Group whose Founder lived his life with eternal Values and built the business enterprises on the foundation of good governance.

The Company is committed to conducting business in the right way, which means taking decisions and acting in an ethical way and in compliance with the applicable legal requirements. It endeavours to continuously improve its Corporate Governance performance with a view to earning the trust and respect of all its stakeholders.

The Board of Directors (Board) is responsible for and is committed to good Corporate Governance and plays a critical role in overseeing how the Management serves the short and long-term interests of the shareholders and other stakeholders.

2. **Board**

2.1 Board business

The normal business of the Board comprises:

2.1.1 Approving:

i) capital expenditure and operating budgets

ii) commission payable to the Directors within the limit set by the shareholders

iii) contracts in which the Director(s) are deemed to be interested

iv) creation of charge on assets in favour of lenders

v) declaration of interim dividend

vi) joint ventures, collaborations, mergers and acquisitions

vii) loans and investments

viii) matters requiring statutory | Board consent

ix) sale of investments and assets

x) short, medium or long-term borrowings

xi) unaudited quarterly financial results and audited annual accounts, including segments revenue, results and capital employed

2.1.2 Monitoring:

i) effectiveness of the governance practices and making desirable changes

ii) implementation of performance objectives and corporate performance

iii) potential conflicts of interest of the Management, the Board Members and the shareholders, including misuse of corporate assets and abuse in related party transactions

iv) the Board nomination process such that it is transparent and results in diversity of experience, gender, knowledge, perspective and thoughts in the Board

v) the Management and providing strategic guidance while ensuring that encouraging positive thinking does not result in over-optimism that either leads to significant risks not being recognised or exposes the Company to excessive risk

2.1.3 Noting:

i) general notices of interest of the Directors

ii) minutes of the meetings of the Board and its committees and also the resolution(s) passed by circulation

2.1.4 Recommending:

i) appointment of the Statutory Auditors

ii) final dividend

2.1.5 Reviewing:

i) corporate strategy, major plans of action, Risk Policy, annual budgets and business plans

ii) default in payment of statutory dues

iii) fatal or serious accidents, dangerous occurrences and material environmental matters

iv) foreign exchange exposure and exchange rate movement, if material

v) the integrity of the accounting and financial reporting systems, and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational control, and compliance with the law and relevant standards

2.1.6 Setting:

i) a well-defined mandate, composition and working procedures of the Committees

ii) corporate culture and the Values

2.1.7 Others:

i) Acting on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the Company and the shareholders

ii) Aligning remuneration of the key executives and the Board Members with the long-term interests of the Company and the shareholders

iii) Applying high ethical standards

iv) Assigning sufficient number of the Non-executive Board Members capable of exercising independent judgement to items where there is a potential for conflict of interest

v) Assisting the Executive Management by challenging the assumptions underlying strategy, strategic initiatives (such as acquisitions), risk appetite, exposures and the key areas of focus for the Company

vi) Encouraging training of the Directors on a continuous basis to ensure that the Board Members are kept updated

vii) Exercising objective and independent judgement on corporate affairs

viii) Facilitating the Independent Directors to perform their role effectively as the Board Members and also as the members of Committees

ix) Meeting the expectations of operational transparency of the stakeholders while maintaining the confidentiality of information to foster a culture of good decision-making

2.2 Appointment and tenure

2|3rd of the Directors (other than the Independent Directors) are rotational Directors. 1|3rd of rotational Directors retire in every Annual General Meeting (AGM) and, if eligible, offer themselves for reappointment.

2.3 Composition, name, other directorships | committee memberships

The Board comprises experts drawn from diverse fields | professions. It consists of five members:

No.	Name	Directorship(s) in other company(ies)[1]	Membership(s) of the Committee(s) of the Board(s)[2]	Chairmanship(s) of the Committee(s) of the Board(s)[2]
1.	Rajeev Kumar	2	–	–
2.	Syamal De	–	–	–
3.	Yogesh Vyas	–	–	–
4.	Ankit Mankodi	–	–	–

[1]This excludes Directorships in foreign companies and private limited companies.

[2]Memberships | Chairmanships of only the Audit Committees and Stakeholders Relationship Committees of all public limited companies, including the Company were considered.

2.4 Board meetings

The Board meeting dates were normally determined well in advance. During 2022-23, the Board met seven times.

No.	Day	Date	Venue
1.	Thursday	April 21, 2022	Atul
2.	Thursday	May 26, 2022	Atul
3.	Monday	July 11, 2022	Atul
4.	Wednesday	October 12, 2022	Atul
5.	Thursday	January 12, 2023	Atul
6.	Monday	March 20, 2023	Atul
7.	Thursday	March 30, 2023	Atul

2.5 Attendance at the Board meetings and the AGM

No.	Name	Board meetings		AGM on August 24, 2022
		Total	Attended	
1.	Rajeev Kumar	7	7	Present
2.	Syamal De	7	7	Present
3.	Yogesh Vyas	7	7	Present
4.	Ankit Mankodi	7	7	Present

2.6 Appointment | Cessation

- Appointed: nil
- Ceased: nil
- Resigned: nil

2.7 Remuneration

(₹ lakhs)

No.	Name	Remuneration during 2022-23			
		Sitting fees	Salary and perquisites	Commission	Total
1.	Rajeev Kumar	-	-	-	-
2.	Syamal De	-	-	-	-
3.	Yogesh Vyas	-	-	-	-
4.	Ankit Mankodi	-	-	-	-

The Directors were not paid remuneration or sitting fees for attending the Board, Committee and other meetings .

3. Committees of the Board

The Board has not constituted any committee.

4. Company policies

4.1 Compliance

Compliance certificates confirming due compliance with statutory requirements are placed at the Board meeting for review by the Directors. A system of ensuring material compliance with the laws, orders, regulations and other legal requirements concerning the business and affairs of the Company is in place. Instances of non-compliance, if any, are also separately reported to the Board and subsequently rectified.

4.2 Code of conduct

The Company follows the code of conduct adopted by Amal Ltd, the holding company of the Company.

All the Directors and Senior Management personnel have affirmed their compliance with the code of conduct.

4.3 Prevention of sexual harassment of women at workplace

Pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Rules, 2013, the Company has framed a policy on prevention of sexual harassment of women at workplace and constituted Internal Complaints Committee. The status of complaints received during 2022-23 is as under:

Filed during 2022-23	Nil
Disposed of during 2022-23	Nil
Pending as at end of 2022-23	Nil

4.4 Related party transactions

The Company has formulated a Related Party Transactions Policy.

5. Affirmation and disclosure

There were no materially significant related party transactions, pecuniary transactions or relationships between the Company and its Directors or the Management and their subsidiary companies or relatives, among others, during 2022-23 that may have a potential conflict with the interests of the Company at large. All details relating to financial and commercial transactions where the Directors may have a pecuniary interest are provided to the Board and the interested Directors neither participate in the discussion nor vote on such matters.

The Company complied with the statutory provisions, rules and regulations, and in the last three years, no strictures or penalties were imposed on the Company by any statutory authority.

6. Shareholders' information

6.1 General Body meetings

6.1.1 Location and time where the last three AGMs were held:

Year	Location	Date	Time
2020-21	O-16, East site offices, Atul 396 020, Gujarat, India	September 30, 2021	03:30 pm
2021-22	O-16, East site offices, Atul 396 020, Gujarat, India	August 24, 2022	03:30 pm

6.1.2 Special resolutions passed in the previous three AGMs: yes

6.1.3 Resolutions passed through postal ballot: nil

6.2 Annual General Meeting 2023

Details of the 3rd AGM are as under:

Year	Location	Date	Time
2022-23	O-16, East site offices, Atul 396 020, Gujarat, India	August 22, 2023	03:30 pm

As required, particulars of the Directors seeking reappointment | appointment are given in the Notice of the AGM.

6.3 Financial year

April 01 to March 31

6.4 Location of plant

GIDC, Ankleshwar 393 002, Gujarat, India

6.5 Address for correspondence

O-16, East site offices, Atul 396 020, Gujarat, India

E-mail address: amal_speciality@atul.co.in

6.6 Tentative Board meeting dates for consideration of results for 2023-24

No.	Particulars	Dates
1.	First quarter results	July 13, 2023
2.	Second quarter and half-yearly results	October 12, 2023
3.	Third quarter results	January 11, 2024
4.	Fourth quarter and annual results	April 18, 2024

For Amal Speciality Chemicals Ltd

(Rajeev Kumar)

Director

DIN: 07731459

Atul

April 19, 2023

Notice

Notice is hereby given that the 3rd Annual General Meeting of the members of Amal Speciality Chemicals Ltd will be held on Tuesday, August 22, 2023, at 03:30 pm at O-16, East site offices, Atul 396 020, Gujarat, India to transact the following businesses:

Ordinary business

1. To receive, consider and adopt the audited Financial Statements of the Company for the financial year ended March 31, 2023, and the Reports of the Directors and the Auditors thereon.
2. To appoint a Director in place of Mr Syamal De (Director identification number: 08963169) who retires by rotation and being eligible, offers himself for reappointment.

Notes:

1. A member entitled to attend and vote at the meeting, is entitled to appoint a proxy to attend and vote instead of himself | herself and the proxy need not be a member. A person can act as a proxy on behalf of not more than 50 members and holding in aggregate not more than 10% of the total share capital of the Company. In order that the appointment of a proxy is effective, the instrument appointing the proxy must be received at the registered office of the Company not later than 48 hours before the commencement of the meeting, that is, by 09:00 am on August 20, 2023.
2. Copies of the Balance Sheet, the Statement of Profit and Loss, the Directors' Report, the Auditor's Report and every other document required by law to be annexed or attached to the Balance Sheet for the financial year ending March 31, 2023 are annexed | attached.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from August 08, 2023 to August 15, 2023 (both days inclusive).
4. The physical copies of the documents which are referred in this Notice and not attached will also be available at the registered office of the Company for inspection during normal business hours on working days. The members are entitled to receive communication in physical form (upon making a request for the same) by post, free of cost.
5. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting.
6. The members, desiring any information relating to the accounts, are requested to write to the Company at least seven days before the date of the Annual General Meeting (AGM) so as to enable the Management to keep the information ready and provide at the AGM.
7. At the ensuing Annual General Meeting, Mr Syamal De retires by rotation and being eligible offers himself for reappointment. The information or details pertaining to him are as under:

Name	Mr Syamal De
Date of birth	October 09, 1967
Brief résumé	Mr Syamal De is a Director and Occupier of the Company since November 2020. Mr De has over 28 years of professional experience in the fields of design and development, process engineering, technology innovation and transfer, project and operation management, efficiency and productivity improvement. Currently, he is the Senior Vice President (Technology and Operations) of Atul Ltd. Mr De holds a postgraduate degree in Chemical Engineering from Indian Institute of Technology, Mumbai.
Directorship in other companies	Nil
Membership in committees of other companies	Nil
Cessation from directorship of listed company in past three years	Nil
Relationship with other Directors	None
Number of shares held in the Company	Nil

9. Route map for the venue of the Annual General Meeting is given separately.

Registered office:

O-16, East site offices
Atul 396 020 Gujarat
India
Corporate identity number: U24239GJ2020PLC117229
April 19, 2023

By order of the Board of Directors

(Rajeev Kumar)
Director
DIN: 07731459

Independent Auditor’s Report

To the members of Amal Speciality Chemicals Ltd

Report on the audit of the Financial Statements

Opinion

01. We have audited the accompanying Financial Statements of Amal Speciality Chemicals Ltd (the Company) which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flows and the Statement of changes in equity for the year then ended, notes to the Financial Statements and a summary of significant accounting policies and other explanatory information.

02. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 (the Act) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (the Act) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its loss, total comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

Basis for opinion

03. We conducted our audit of the Financial Statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Financial Statements.

Information other than the Financial Statements and Auditors’ Report thereon

04. The Management and the Board of Directors of the Company are responsible for the other information. The other information comprises the information included in the Directors’ Report and Management Discussion and Analysis but does not include the Financial Statements and our Auditor’s Report thereon.

05. Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

06. In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

07. 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.

Responsibility of Management and those charged with governance for the Consolidated Financial Statements

08. The Board of Directors of the Company is responsible for the matters stated in Section 134(5) of the Act with respect that the preparation of these Financial Statements that

give a true and fair view of the financial position and financial performance, including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and accounting principles generally accepted in India. The Board of Directors of the Company is also responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies, making judgements and estimates that are reasonable and prudent, and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

09. In preparing the Financial Statements, the Board of Directors is responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

10. The Board of Directors are responsible for overseeing the financial reporting process of the Company.

Auditor's responsibility for the audit of the Financial Statements

11. Our objectives are to obtain reasonable assurance about whether the 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 can reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

12. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

a) Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

b) Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has an adequate internal financial controls system in place and the operating effectiveness of such controls.

c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.

d) Conclude on the appropriateness of use of the going concern basis of accounting by the Management and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the Financial Statements or if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the Company to cease to continue as a going concern.

e) Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Financial Statements that individually or in aggregate, make it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in i) planning the scope of our audit work and ii) to evaluate the effect of any identified misstatements in the 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.

Report on other legal and regulatory requirements

13. As required by Section 143 (3) of the Act, based on our audit we report that:

a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Statement of Cash Flows and the Statement of changes in equity dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid Financial Statements comply with Ind AS specified under Section 133 of the Act.

e) On the basis of the written representations received from the Directors as on March 31, 2023, taken on record by the Board of Directors, none of the Directors 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure A. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting of the Company.

g) The Company has not paid any remuneration to its Directors during the current year, hence provisions of Section 197 of the Act are not applicable to the Company.

h) With respect to the other matters to be included in the Auditors' 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 knowledge and belief and according to the information and explanations given to us:

i. The Company does not have any pending litigations which will impact its financial position.

ii. The Company did not have any material foreseeable losses on long-term contracts, including derivative contracts.

iii. There were no amounts that were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2023.

iv. a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity (intermediaries), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (ultimate beneficiaries) or provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

b) The Management has represented, that, 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.

c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and those performed by the Auditors of the subsidiary companies, which are incorporated in India, whose Financial Statements have been audited under the Act, nothing has come to our or other Auditor's notice that has caused us or the other Auditors to believe that the representations under Sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

14. The Company did not propose a dividend for the previous year and has not declared any interim dividend during the year and until the date of this report. Hence, no reporting is applicable with regard to compliance with Section 123.

15. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company effective. April 01, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

16. As required by the Companies (Auditor's Report) Order, 2020 (the Order) issued by the Central Government in terms of Section 143(11) of the Act, we give in Annexure B, a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm registration number: 117366W | W-100018

Ketan Vora
Partner
Mumbai — Membership number: 100459
April 19, 2023 — UDIN: 23100459BGXJFX6874

Annexure A to the Independent Auditor's Report

Referred to in paragraph 13 (f) under 'Report on other legal and regulatory requirements' of our report of even date to the members of Amal Speciality Chemicals Ltd on the Financial Statements as of and for the year ended March 31, 2023.

Report on the internal financial controls under Clause of Sub-section 3 of Section 143 of the Companies Act, 2013.

Opinion

We have audited the internal financial controls with reference to the Financial Statements of Amal Speciality Chemicals Ltd (the Company) as of March 31, 2023 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Management's responsibility for internal financial controls

The Management of the Company 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 (the Guidance Note) issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the policies the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's responsibility

1. Our responsibility is to express an opinion on the internal financial controls of the Company over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

2. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls 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.

3. 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 system over financial reporting of the Company.

Meaning of internal financial controls with reference to Financial Statements

4. The internal financial controls with reference to the Financial Statements of a company 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. The internal financial controls with reference to the Financial Statements of a company include those policies and procedures that:

i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company.

ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with generally accepted accounting principles to the and that receipts and expenditures of the Company are being made only in accordance with authorisations of Management and Directors of the Company, and

iii) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the assets of the Company that might have a material effect on the Financial Statements.

Inherent limitations of internal Financial controls over financial reporting

Because of the inherent limitations of internal financial controls with reference to the 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 over financial reporting to future periods are subject to the risk that the internal financial control with reference to the Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls with reference to the Financial Statements were operating effectively as at March 31, 2023, based on the internal financial controls with reference to the Financial Statements established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm registration number: 117366W | W-100018

Ketan Vora
Partner

Mumbai
April 19, 2023

Membership number: 100459
UDIN: 23100459BGXJFX6874

Annexure B to the Independent Auditor's Report

Referred to in paragraph 13 under 'Report on other legal and regulatory requirements' section of our report of even date.

To the best of our information and explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

01. a) In respect of the property, plant and equipment and intangible assets of the Company:

    i) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, capital work-in-progress, and relevant details of right-of-use asset.

    ii) As the Company does not hold (i)(a)(B) of the Order is not applicable.

    b) The Company has a program of verification of property, plant and equipment, capital work-in-progress and right-to-use asset so as to cover all the items once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, no such assets were due for physical verification during the year. Since no physical verification of property, plant and equipment, capital work-in-progress and right-to-use asset was due during the year the question of reporting on material discrepancies noted on verification does not arise.

    c) The Company does not have any immovable properties other than properties where the Company is the lessee, and the lease agreements are duly executed in favour of the lessee and hence reporting under clause (i)(c) of the Order is not applicable.

    d) The Company has not revalued any of its property, plant and equipment (including right-of-use assets) during the year.

    e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and Rules made thereunder.

02. a) The inventories except for goods-in-transit, were physically verified during the year by the Management at reasonable intervals. In our opinion and based on information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. For goods in transit, the goods have been received subsequent to the year end. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with the 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 during the year from banks on the basis of the security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising (stock statements, book debt statements, statements on ageing analysis of the debtors, and other stipulated financial information) filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company of the respective quarters.

03. The Company has not made any investments in, provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, and hence reporting under clause (iii) of the Order is not applicable.

04. In our opinion, and according to the information and explanation given to us, the Company has not granted any loans or made investments covered under the provisions of Section 185 of the Companies Act 2013. The Company has complied with the provisions of Sections 186 of the Companies Act, 2013 as applicable.

05. According to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits. Hence, reporting under Clause (v) of the Order is not applicable.

06. The maintenance of cost records has not been specified by the Central Government under Section 148(1) of the Companies Act, 2013.

07. According to the information and explanations given to us, in respect of statutory dues:

a) The Company has generally been regular in depositing undisputed statutory dues of the year, including goods and service tax, provident fund, employees' state insurance, income tax, customs duty, cess and other material statutory dues applicable to it to the appropriate authorities.

There were no undisputed amounts payable in respect of goods and service tax, provident fund, employees' state insurance, income tax, cess and other material statutory dues in arrears as at March 31, 2023, for a period of more than six months from the date they became payable.

b) There are no statutory dues referred in sub-clause (a) above which have not been deposited on account of disputes as on March 31, 2023.

08. 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.

09. a) In our opinion, the Company has not taken any loans or borrowings from any lender. Hence reporting under Clause (ix) (a) of the Order is not applicable to the Company.

b) The Company has not been declared a willful 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 unutilised term loans at the beginning of the year and hence, reporting under Clause (ix)(c) of the Order is not applicable.

d) According to the information and explanations given to us Clause (ix)(d) is not applicable since the Company has not taken funds on a short-term basis.

e) We report that the Company has neither taken any funds from any entity or person during the year nor it had any unutilised funds as at the beginning of the year of the funds raised through issue of shares or borrowings in the previous year and hence, reporting under Clause (ix)(e) of the Order is not applicable.

f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint ventures or associate companies.

10. a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting

under Clause (x)(a) of the Order is not applicable.

b) The Company has made preferential allotment or private placement of shares during the year. For such allotment of shares, the Company has complied with the requirements of Section 42 and 62 of the Companies Act, 2013, and the funds raised have been applied by the Company during the year for the purposes for which the funds were raised. The Company has not made any preferential allotment or private placement of (fully or partly or optionally) convertible debentures during the year.

11. a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

b) No report under Sub-section (12) of Section 143 of the Companies Act, 2013 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 were no whistleblower complaints received by the Company during the year.

12. The Company is not a Nidhi Company and hence reporting under Clause (xii) of the Order is not applicable.

13. In our opinion and according to the information and explanations given to us the Company is in compliance with Sections 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the Standalone Financial statements etc. as required by the applicable accounting standards.

14. a) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.

b) Internal Audit is not applicable to the Company, hence reporting under this clause is not applicable.

15. In our opinion, during the year, the Company has not entered into any non-cash transactions with its Directors or Directors of its subsidiary companies or persons connected with them and hence provisions of Section 192 of the Companies Act, 2013 are not applicable.

16. In our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under Clause (xvi)(a), (b) and (c) of the Order is not applicable.

17. The Company has incurred cash losses amounting to ₹ 10.90 crores during the financial year covered by our audit and ₹ 0.16 crores in the immediately preceding financial year.

18. There has been no resignation of the Statutory Auditors of the Company during the year.

19. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the Financial Statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the Audit Report indicating that Company is not capable of meeting its liabilities existing at the date of Balance Sheet as and when they fall due within a period of one year from the Balance Sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our

reporting is based on the facts up to the date of the Audit Report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the Balance Sheet date, will get discharged by the Company as and when they fall due.

20. The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of Sub-section (6) of Section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm registration number: 117366W | W-100018

Ketan Vora
Partner
Membership number: 100459
UDIN: 23100459BGXJFX6874

Mumbai
April 19, 2023

Standalone Balance Sheet as at March 31, 2023

(₹ lakhs)

Particulars	Note	As at March 31, 2023	As at March 31, 2022
A ASSETS			
1 Non-current assets			
a) Property, plant and equipment	2	8,242.14	338.46
b) Capital work-in-progress	2	83.70	6,778.51
c) Other non-current assets	3	448.23	233.34
d) Income tax assets (net)	26.3	5.60	1.03
e) Deferred tax assets	26.3	1.27	1.27
Total non-current assets		**8,780.94**	**7,352.61**
2 Current assets			
a) Inventories	4	181.51	-
b) Financial assets			
i) Trade receivables	5	220.57	-
ii) Cash and cash equivalents	6	25.87	0.65
iii) Other financial assets	7	-	24.99
c) Other current assets	3	915.52	1,125.25
Total current assets		**1,343.47**	**1,150.89**
Total assets		**10,124.41**	**8,503.50**
B EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	8	771.90	500.00
b) Other equity	9	2,204.74	(64.33)
Total equity		**2,976.64**	**435.67**
Liabilities			
1 Non-current liabilities			
a) Other financial liabilities			
i) Borrowings	10	4,633.93	6,395.01
ii) Lease liability	11	361.06	352.74
b) Provisions	12	2.76	-
Total non-current liabilities		**4,997.75**	**6,747.75**
2 Current liabilities			
a) Financial liabilities			
i) Borrowings	10	1,321.18	739.94
ii) Trade payables			
Total outstanding dues of			
a) Micro-enterprises and small enterprises	13	9.05	-
b) Creditors other than micro-enterprises and small enterprises	13	239.57	0.92
iii) Other financial liabilities	14	541.71	573.39
b) Contract liabilities	15	28.59	-
c) Other current liabilities	16	9.46	5.83
d) Provisions	12	0.46	-
Total current liabilities		**2,150.02**	**1,320.08**
Total liabilities		**7,147.77**	**8,067.83**
Total equity and liabilities		**10,124.41**	**8,503.50**

The accompanying Notes 1-26 form an integral part of the Financial Statements.

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

Ketan Vora
Partner

For and on behalf of the Board of Directors

Rajeev Kumar
Director
(DIN: 07731459)

Yogesh Vyas
Director
(DIN: 08914578)

Ankit Mankodi
Director
(DIN: 08914579)

Mumbai
April 19, 2023

Atul
April 19, 2023

Standalone Statement of Profit and Loss
for the year ended on March 31, 2023

(₹ lakhs)

Particulars	Note	2022-23	2021-22
INCOME			
Revenue from operations	17	2,305.86	-
Other income	18	0.07	0.07
Total income		**2,305.93**	**0.07**
EXPENSES			
Cost of materials consumed	19	2,058.63	-
Changes in inventories of finished goods	20	(32.87)	-
Power, fuel and water	21	410.74	-
Repairs and maintenance	22	49.52	-
Employee benefit expenses	23	109.69	-
Finance costs	24	586.30	33.96
Depreciation and amortisation expenses	2	529.78	6.13
Other expenses	25	248.95	16.25
Total expenses		**3,960.74**	**56.34**
Profit before tax		**(1,654.81)**	**(56.27)**
Tax expense			
Current tax	26.3	-	-
Deferred tax	26.3	-	0.25
Total tax expense		**-**	**0.25**
Loss for the year		**(1,654.81)**	**(56.52)**
Other comprehensive income			
Items that will not be reclassified to profit | loss			
Remeasurement gain | (loss) on defined benefit plans (net of tax)		-	-
Other comprehensive income | (expense), net of tax		**-**	**-**
Total comprehensive income | (expense) for the year		**(1,654.81)**	**(56.52)**
Earnings per equity share of ₹ 10 each			
Basic earnings (₹)	26.8	(33.00)	(1.13)
Diluted earnings (₹)	26.8	(33.00)	(1.13)

The accompanying Notes 1-26 form an integral part of the Financial Statements.

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

Ketan Vora
Partner

Mumbai
April 19, 2023

For and on behalf of the Board of Directors

Rajeev Kumar
Director
(DIN: 07731459)

Yogesh Vyas
Director
(DIN: 08914578)

Ankit Mankodi
Director
(DIN: 08914579)

Atul
April 19, 2023

Standalone Statement of changes in equity
for the year ended on March 31, 2023

A Equity share capital

(₹ lakhs)

Particulars	Note	Amount
As at March 31, 2021		**500.00**
Changes in equity share capital during the year		-
As at March 31, 2022		**500.00**
Changes in equity share capital during the year		271.90
As at March 31, 2023	8	**771.90**

B Other equity

(₹ lakhs)

Particulars	Reserves and surplus			Total other equity
	Securities premium	Retained earnings	Other equity (capital contributions from Amal Ltd)	
As at March 31, 2021	**-**	**(7.32)**	**-**	**(7.32)**
Loss for the year	-	(56.52)	-	(56.52)
Share issue expenses, net of tax	-	(0.49)	-	(0.49)
As at March 31, 2022	**-**	**(64.33)**	**-**	**(64.33)**
Loss for the year	-	(1,654.81)	-	(1,654.81)
Addition during the year	2,728.24	-	1,221.89	3,950.13
Share issue expenses	(26.25)	-	-	(26.25)
As at March 31, 2023	**2,701.99**	**(1,719.14)**	**1,221.89**	**2,204.74**

The accompanying Notes 1-26 form an integral part of the Financial Statements.

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

Ketan Vora
Partner

Mumbai
April 19, 2023

For and on behalf of the Board of Directors

Rajeev Kumar
Director
(DIN: 07731459)

Yogesh Vyas
Director
(DIN: 08914578)

Ankit Mankodi
Director
(DIN: 08914579)

Atul
April 19, 2023

Standalone Statement of Cash Flows
for the year ended on March 31, 2023

(₹ lakhs)

	Particulars		2022-23	2021-22
A	CASH FLOW FROM OPERATING ACTIVITIES			
	Loss before tax		(1,654.81)	(56.27)
	Adjustments for:			
	Depreciation and amortisation expense		529.78	6.13
	Finance costs		586.30	33.96
	Interest income from financial assets measured at amortised cost		(0.05)	-
	Income from investments in mutual funds measured at FVTPL (net)		-	(0.07)
	Operating loss before change in operating assets and liabilities		**(538.78)**	**(16.25)**
	Adjustments for:			
	(Increase) | Decrease in inventories		(181.51)	-
	Increase in non-current and current assets		(197.68)	(1,118.84)
	Increase in non-current and current liabilities		327.41	385.51
	Cash used in operations		**(590.56)**	**(749.58)**
	Income tax paid (net of refund)		(4.58)	(0.81)
	Net cash used in operating activities	**A**	**(595.14)**	**(750.39)**
B	CASH FLOW FROM INVESTING ACTIVITIES			
	Payments towards property, plant and equipment (including capital advances)		(1,809.33)	(6,151.88)
	Sale of current investments measured at FVTPL (net)		-	20.30
	Interest received on financial assets measured at amortised cost		0.05	-
	Net cash used in investing activities	**B**	**(1,809.28)**	**(6,131.58)**

Standalone Statement of Cash Flows
for the year ended on March 31, 2023

(₹ lakhs)

	Particulars		2022-23	2021-22
C	**CASH FLOW FROM FINANCING ACTIVITIES**			
	Disbursements of term loans (net)[1]		4,997.14	6,890.81
	Disbursement of short term borrowings		848.01	-
	Repayments of term loan to bank		(2,802.96)	-
	Share issue expenses		(26.25)	(0.49)
	Interest on Loan paid		(586.30)	(33.96)
	Net cash flow from financing activities	C	**2,429.64**	**6,856.36**
	Net increase | (decrease) in cash and cash equivalents	A+B+C	**25.22**	**(25.61)**
	Cash and cash equivalents at the beginning of the year		**0.65**	**26.26**
	Cash and cash equivalents at the end of the year		**25.87**	**0.65**

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

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

The accompanying Notes 1-26 form an integral part of the Financial Statements.

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

Ketan Vora
Partner

Mumbai
April 19, 2023

For and on behalf of the Board of Directors

Rajeev Kumar
Director
(DIN: 07731459)

Yogesh Vyas
Director
(DIN: 08914578)

Ankit Mankodi
Director
(DIN: 08914579)

Atul
April 19, 2023

Background

Amal Speciality Chemicals Ltd (the Company) is a public company limited by shares, incorporated and domiciled in India. The Company is a subsidiary of Amal Ltd. Its registered office is located at O-16, East site offices, Atul 396 020, Gujarat, India and its principal place of manufacturing is located at Ankleshwar 393 002, Gujarat, India.

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

Note 1 Significant accounting policies

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

a) Statement of compliance

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

b) Basis of preparation

i) Historical cost convention

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

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

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

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

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

iv) Recent accounting pronouncements effective from April 01, 2023

The Ministry of Corporate Affairs (MCA) notifies new standards | amendments to the existing standards under the Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, the MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 1 - Presentation of Financial Statements:

This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods

Note 1 Significant accounting policies (continued)

beginning on or after April 01, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the Financial Statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors:

This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 01, 2023. The Company has evaluated the amendment and there is no material impact on its Financial Statements.

Ind AS 12 - Income taxes:

This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 01, 2023. The Company has evaluated the amendment and there is no material impact on its Financial Statement.

The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

c) Foreign currency transactions

i) Functional and presentation currency

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

ii) Transactions and balances

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

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

d) Revenue recognition

i) Revenue from operations

Revenue is recognised when control of goods is transferred to a customer in accordance with the terms of the contract. The control of the goods is transferred upon delivery to the customers either at the factory gate of the Company or a specific location of the customer or when the goods are handed over to the freight carrier, as per the terms of the contract. A receivable is recognised by the Company when the goods are delivered to the customer as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due.

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

ii) Other income

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

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

e) Income tax

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

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

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

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

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

The Company considers reversals of deferred income tax liabilities, projected future taxable income and tax planning strategies in making the assessment of deferred tax liabilities and realisability of deferred tax assets. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, the Management believes that the Company will realise the benefits of those deductible differences.

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

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

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

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

f) Government grants

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

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

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

g) Leases

As a lessee

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

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

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

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

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

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

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

h) Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Acquisition cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the carrying amount of asset or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the Statement of Profit and Loss during the period in which they are incurred. Gains or losses arising on retirement or disposal of assets are recognised in the Statement of Profit and Loss.

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

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as 'capital work-in-progress'.

Depreciation methods, estimated useful lives and residual value

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

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

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

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

i) Impairment

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

j) Cash and cash equivalents

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

k) Trade receivables

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

l) Trade and other payables

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

m) Investments and other financial assets

Classification and measurement

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

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

ii) those measured at amortised cost

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

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

Debt instruments

Initial recognition and measurement

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

Subsequent measurement

After initial recognition, financial asset is measured at:

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

ii) Amortised cost

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

Measured at amortised cost:

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

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

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

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

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

Impairment of financial assets

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

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

Derecognition

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

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

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

Financial liabilities

i) Classification as debt or equity:

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

ii) Initial recognition and measurement:

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

iii) Subsequent measurement:

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

iv) Derecognition:

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

n) Offsetting financial instruments

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

o) Borrowings

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

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

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

p) Borrowing costs

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

q) Provisions and contingent liabilities

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

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

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

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

r) Employee benefits

Defined benefit plan

Gratuity:

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

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

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

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

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

Note 1 Significant accounting policies (continued)

Defined contribution plan

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

Short-term employee benefits

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

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

Other long-term employee benefits

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

s) Earnings per share

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

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

Critical estimates and judgements

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

The areas involving critical estimates or judgements are:

i) Fair value measurements: Note 26.5

ii) Lease: Note 26.9

iii) Estimation of income tax: Note 26.3

iv) Impairment: Note 1 (h)

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

(₹ lakhs)

Particulars	Land - freehold	Right-of-use leasehold land[1]	Buildings	Plant and equipment	Vehicles	Office equipment	Furniture and fixtures	Total	Capital work-in-progress[2]
Gross carrying amount									
As at March 31, 2021	-	-	-	-	-	-	-	-	477.43
Additions	-	344.59	-	-	-	-	-	344.59	6,301.08
Disposals and transfers	-	-	-	-	-	-	-	-	-
As at March 31, 2022	**-**	**344.59**	**-**	**-**	**-**	**-**	**-**	**344.59**	**6,778.51**
Additions	-	-	53.51	8,372.70	-	5.89	1.37	8,433.47	1,738.66
Disposals and transfers	-	-	-	-	-	-	-	-	(8,433.47)
As at March 31, 2023	**-**	**344.59**	**53.51**	**8,372.70**	**-**	**5.89**	**1.37**	**8,778.06**	**83.70**
Depreciation | Amortisation									
Up to March 31, 2021	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
For the year	-	6.13	-	-	-	-	-	6.13	-
Disposals and transfers	-	-	-	-	-	-	-	-	-
Up to March 31, 2022	**-**	**6.13**	**-**	**-**	**-**	**-**	**-**	**6.13**	**-**
For the year	-	6.13	1.27	521.47	-	0.79	0.13	529.79	-
Disposals and transfers	-	-	-	-	-	-	-	-	-
Up to March 31, 2023	**-**	**12.26**	**1.27**	**521.47**	**-**	**0.79**	**0.13**	**535.92**	**-**
Net carrying amount									
As at March 31, 2022	-	338.46	-	-	-	-	-	338.46	6,778.51
As at March 31, 2023	**-**	**332.33**	**52.24**	**7,851.23**	**-**	**5.10**	**1.24**	**8,242.14**	**83.70**

Notes:

[1]Refer Note 26.9 for disclosures of leases, where the Company is a lessee under a finance lease.

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

Refer Note 26. 1 for disclosure of contractual commitment for acquisition of property, plant and equipment.

Capital-work-in progress ageing

(₹ lakhs)

Particulars	As at March 31, 2023					As at March 31, 2022				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	83.70	-	-	-	83.70	6,301.08	477.43	-	-	6,778.51
Projects temporarily suspended	-	-	-	-	-	-	-	-	-	-

(₹ lakhs)

Note 3 Other assets		As at March 31, 2023		As at March 31, 2022	
		Current	Non-current	Current	Non-current
a)	Prepaid expenses	36.65	46.59	-	-
b)	GST receivables	830.06	401.64	957.00	233.34
c)	Advances for goods and services	4.00	-	168.25	-
d)	Other receivables (including electricity duty exemption and discount receivable)	41.75	-	-	-
e)	Capital advances	3.06	-	-	-
		915.52	**448.23**	**1,125.25**	**233.34**

(₹ lakhs)

Note 4 Inventories[1]		As at March 31, 2023	As at March 31, 2022
a)	Raw materials	102.13	-
	Add: Goods-in-transit	11.52	-
		113.65	-
b)	Finished goods	32.87	-
c)	Stores, spares and fuel	34.99	-
		181.51	**-**

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

(₹ lakhs)

Note 5 Trade receivables		As at March 31, 2023	As at March 31, 2022
Considered good - unsecured			
i)	Related parties (refer Note 26.2)	73.28	-
ii)	Others	147.29	-
		220.57	**-**

Trade receivables consists of few customers, for which ongoing credit evaluation is performed on the financial condition of the account receivables, subsequent realisations and orders in hand.

Based on evaluation, allowance for doubtful debts recognised in the Standalone Statement of Profit and Loss is Nil.

Trade receivable ageing (₹ lakhs)

No.	Particulars	As at March 31, 2023						
		Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
1.	Undisputed trade receivables: considered good	220.57	-	-	-	-	-	**220.57**

(₹ lakhs)

No.	Particulars	As at March 31, 2022						
		Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
1.	Undisputed trade receivables: considered good	-	-	-	-	-	-	**-**

(₹ lakhs)

Note 6 Cash and cash equivalents		As at March 31, 2023	As at March 31, 2022
	Balances with banks		
a)	In current accounts	25.71	0.65
b)	Cash on hand	0.16	-
		25.87	**0.65**

There are no repatriation restrictions with regard to cash and cash equivalents.

(₹ lakhs)

	As at March 31, 2023		As at March 31, 2022	
	Current	Non-current	Current	Non-current
Other receivables				
Insurance claim receivable	-	-	24.00	-
Related party (refer Note 26.2)	-	-	0.99	-
	-	**-**	**24.99**	**-**

(₹ lakhs)

Note 8 Equity share capital	As at March 31, 2023	As at March 31, 2022
Authorised		
1,00,00,000 (March 31, 2022: 50,00,000) equity shares of ₹ 10 each	1,000.00	500.00
	1,000.00	**500.00**
Issued and subscribed		
77,19,000 (March 31, 2022: 50,00,000) equity shares of ₹ 10 each, fully paid	771.90	500.00
	771.90	**500.00**

a) Rights, preferences and restrictions:

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

i) Equity shares

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

ii) Dividend

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

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

No.	Name of the shareholder	As at March 31, 2023		As at March 31, 2022	
		Holding %	Number of shares	Holding %	Number of shares
1.	Amal Ltd (holding company)	100.00%	77,18,994	100.00%	49,94,994

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

Particualrs	As at March 31, 2023		As at March 31, 2022	
	Number of shares	Amount ₹ lakhs	Number of shares	Amount ₹ lakhs
Balance as at the beginning of the year	50,00,000	500.00	50,00,000	500.00
Issued during the year	27,19,000	271.90	-	-
Balance as at the end of the year	77,19,000	771.90	50,00,000	500.00

d) Shareholding of promoters:

No.	Name of the promoter	As at March 31, 2023			As at March 31, 2022		
		Number of shares	% of total shares	% Change during the year	Number of shares	% of total shares	% Change during the year
1.	Amal Ltd (holding company)	77,18,994	100.00%	54.53%	49,94,994	100.00%	100%
2.	Atul Ayurveda Ltd	1	0.00%	0.00%	1	0.00%	100%
3.	Atul Crop Care Ltd	1	0.00%	0.00%	1	0.00%	100%
4.	Atul Clean Energy Ltd	1	0.00%	0.00%	1	0.00%	100%
5.	Atul Entertainment Ltd	1	0.00%	0.00%	1	0.00%	100%
6.	Lapox Polymers Ltd	1	0.00%	0.00%	1	0.00%	100%
7.	Osia Infrastructure Ltd	1	0.00%	0.00%	1	0.00%	100%

(₹ lakhs)

Note 9 Other equity		As at March 31, 2023	As at March 31, 2022
a)	Securities premium	2,701.99	-
b)	Retained earnings	(1,719.14)	(64.33)
c)	Other reserves		
	Capital contribution from Amal Ltd	1,221.89	-
		2,204.74	**(64.33)**

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

Nature and purpose of reserves

a) Securities premium

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

b) Retained earnings

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

c) Other reserve

The Company had issued 10% non-cumulative redeemable preference shares of ₹ 2,000 lakhs to Amal Ltd (Holding company). These financial liabilities are measured at amortised cost and the initial fair value difference is recognised as capital contribution received from Amal Ltd.

(₹ lakhs)

Note 10 Borrowings		Maturity	Terms of repayment	Interest rate p.a.	As at March 31, 2023		As at March 31, 2022	
					Current	Non-current	Current	Non-current
a)	Rupee term loan from Axis Bank (Secured)	September 2027	20 equal quarterly instalments	7.90%	-	2,129.99	-	4,932.95
b)	Working capital loan from Axis Bank (Secured)	On demand	On demand	8.75%	848.01	-	-	-
c)	20000000 (March 31, 2022: Nil) 10% redeemable and non-convertible preference shares of ₹ 10 each {refer Note (ii),(iii) and (iv) below and also refer Note 26.2}	March 2035	Five equal instalment from end of 7 years	-	-	778.11	-	-

Note 10 Borrowings		Maturity	Terms of repayment	Interest rate p.a.	As at March 31, 2023		As at March 31, 2022	
					Current	Non-current	Current	Non-current
d)	Unsecured loan from related party (refer note 26.2)	₹ 5 cr - March 2028 ₹ 1,699 cr - March 2029	₹ 5cr - 5 annual instalments ₹ 1,699 cr - 6 equal annual instalments	₹ 5cr - 9.4% ₹ 1,699 cr - 10.7%	-	2,199.00	-	2,202.00
	Amount of current maturities of long-term debt disclosed under the head 'short-term borrowing'				473.17	(473.17)	739.94	(739.94)
					1,321.18	**4,633.93**	**739.94**	**6,395.01**

Notes:

i) Security

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

b) Corporate Guarantee given by Amal Limited (holding company).

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

ii) Terms | rights attached to preference shares

The Company has only one class of 10% non-cumulative redeemable preference shares having a par value of ₹ 10 per share. These shares are redeemable at par over a period of 12 years, starting ₹ 500 lakhs every year from financial year 2030-31 to 2034-35.

iii) Preference share capital

(₹ lakhs)

(a) Details of preference share capital after redemption:	March 31, 2023	March 31, 2022
Authorised		
2,00,00,000 (March 31, 2022: Nil) 10% non cumulative redeemable preference shares of ₹ 10 each	2,000	-
Issued, subscribed and fully paid-up		
2,00,00,000 (March 31, 2022: Nil) 10% non cumulative redeemable preference shares of ₹ 10 each	2,000	-

vi) Details of the shareholders holding more than 5% shares of the preference shares

(₹ lakhs)

Name of the shareholder	Nature of holding	As at March 31, 2023		As at March 31, 2022	
		Holding %	Number of shares	Holding %	Number of shares
Amal Ltd	Holding company	100.00	2,00,00,000	-	-

viii) Net debt reconciliation

(₹ lakhs)

Particulars	Liabilities from financing activities		
	Current borrowings	Non-current borrowings	Total
Net debt as on March 31, 2021	**-**	**244.14**	**244.14**
(Repayments) | Disbursements	-	6,890.81	6,890.81
Interest expense	-	0.57	0.57
Interest paid	-	(0.57)	(0.57)
Transfer from non-current to current borrowings	739.94	(739.94)	-
Net debt as on March 31, 2022	**739.94**	**6,395.01**	**7,134.95**
(Repayments) | Disbursements	848.01	(2,027.85)	(1,179.84)
Interest expense	19.54	526.59	546.13
Interest paid	(19.54)	(526.59)	(546.13)
Transfer from non-current to current borrowings	(266.77)	266.77	-
Net debt as on March 31, 2023	**1,321.18**	**4,633.93**	**5,955.11**

(₹ lakhs)

Note 11 Lease liability	As at March 31, 2023		As at March 31, 2022	
	Current	Non-current	Current	Non-current
Lease liability[1]	-	361.06	-	352.74
	-	**361.06**	**-**	**352.74**

[1]Refer Note 26.9 for disclosures of lease liability.

(₹ lakhs)

Note 12 Provisions	As at March 31, 2023		As at March 31, 2022	
	Current	Non-current	Current	Non-current
a) Provision for compensated absences	0.46	2.76	-	-
	0.46	**2.76**	**-**	**-**

The compensated absences cover the liability for earned leave. Out of the total amount disclosed above, the amount of ₹ 0.46 lakhs (March 31, 2022: ₹ Nil lakhs) is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

(₹ lakhs)

Note 13 Trade payables			As at March 31, 2023	As at March 31, 2022
a)	Total outstanding dues of micro-enterprises and small enterprises (refer Note 26.10)		9.05	-
b)	Total outstanding dues of creditors other than micro-enterprises and small enterprises			
	i)	Related parties (refer Note 26.2)	83.03	-
	ii)	Others	156.54	0.92
			248.62	**0.92**

Trade payable ageing

(₹ lakhs)

No.	Particulars	As at March 31, 2023						
		Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i)	MSME	-	9.05	-	-	-	-	**9.05**
ii)	Others	84.30	68.67	86.60	-	-	-	**239.57**

(₹ lakhs)

No.	Particulars	As at March 31, 2022						
		Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i)	MSME	-	-	-	-	-	-	**-**
ii)	Others	0.75	0.17	-	-	-	-	**0.92**

(₹ lakhs)

Note 14 Other financial liabilities		As at March 31, 2023		As at March 31, 2022	
		Current	Non-current	Current	Non-current
a)	Employee benefits payable	20.01	-	2.81	-
b)	Security deposits	46.35	-	27.61	-
c)	Creditors for capital goods	475.35	-	542.97	-
		541.71	**-**	**573.39**	**-**

(₹ lakhs)

Note 15 Contract liabilities	As at March 31, 2023	As at March 31, 2022
Contract liabilities	28.59	-
	28.59	**-**

(₹ lakhs)

Note 16 Other current liabilities	As at March 31, 2023	As at March 31, 2022
Statutory dues	9.46	5.83
	9.46	**5.83**

(₹ lakhs)

Note 17 Revenue from operations[1]	2022-23	2021-22
Sale of chemicals	1,906.20	-
Sale of steam	375.95	-
Revenue from contracts with customers	**2,282.15**	**-**
Other operating revenue:		
Scrap sales | Other revenue	9.83	-
Sale of services	13.88	-
	2,305.86	**-**

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

(₹ lakhs)

Particulars	2022-23	2021-22
Contract price	2,334.67	-
Adjustments for:		
Consideration payable to customers - discounts[1]	(52.52)	-
Revenue from contract with customers	**2,282.15**	**-**

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

(₹ lakhs)

Note 18 Other income	2022-23	2021-22
Income from investments in mutual funds measured at FVTPL	-	0.07
Interest from others	0.05	-
Miscellaneous income	0.02	-
	0.07	**0.07**

(₹ lakhs)

Note 19 Cost of materials consumed	2022-23	2021-22
Raw materials consumed		
Stocks at commencement	-	-
Add: Purchase	2,160.76	-
	2,160.76	-
Less: Stocks at close	102.13	-
	2,058.63	**-**

(₹ lakhs)

Note 20 Changes in inventories of finished goods	2022-23	2021-22
Stocks at close		
Finished goods	32.87	-
Less: Stocks at commencement		
Finished goods	-	-
(Increase) | Decrease in stocks	**(32.87)**	**-**

(₹ lakhs)

Note 21 Power, fuel and water	2022-23	2021-22
Power, fuel and water	410.74	-
	410.74	**-**

(₹ lakhs)

Note 22 Repairs and maintenance	2022-23	2021-22
Consumption of stores and spares	10.52	-
Plant and equipment repairs	39.00	-
	49.52	**-**

(₹ lakhs)

Note 23 Employee benefit expenses	2022-23	2021-22
Salaries, wages and bonus (refer Note 26.4)	99.59	-
Contribution to provident and other funds (refer Note 26.4)	6.48	-
Staff welfare	3.62	-
	109.69	**-**

(₹ lakhs)

Note 24 Finance costs	2022-23	2021-22
Interest on borrowings - secured loan	305.49	-
Interest on borrowings - unsecured loan	221.10	-
Interest other	5.42	-
Interest on borrowings - working capital	19.54	-
Other finance costs	34.75	33.96
	586.30	**33.96**

(₹ lakhs)

Note 25 Other expenses	2022-23	2021-22
Plant operation charges	23.36	-
Freight and cartage	44.71	-
Effluent treatment expenses	15.92	-
Security services	14.34	-
Business auxiliary services	86.08	-
Legal and professional expenses	5.87	6.32
Sundry repairs	-	1.46
Rent	0.01	0.01
Rates and taxes	9.36	0.16
a) Audit fees	2.75	1.00
Miscellaneous expenses	46.55	7.30
	248.95	**16.25**

Note 26.1 Commitments

Capital commitments

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

(₹ lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Estimated amount of contracts remaining to be executed and not provided for (net of advances):		
Property, plant and equipment	65.26	1,323.02

Note 26.2 Related party disclosures

Note 26.2 (A) Related party information

Name of the related party and nature of relationship

No.	Name of the related party	Description of relationship
1	Atul Ltd	Ultimate holding company
2	Amal Ltd	Holding company
3	Rudolf Atul Chemicals Ltd	Joint venture company of the ultimate holding company
4	Key Management Personnel	
	Rajeev Kumar	Director
	Yogesh Vyas	Director
	Ankit Mankodi	Director
	Syamal De	Director

(₹ lakhs)

Note 26.2 (B) Transactions with related parties			2022-23	2021-22
a)	**Sales and income**			
	1	Sale of goods	**402.99**	**-**
		Atul Ltd	402.99	-
	2	Service charges received	**13.88**	**-**
		Amal Ltd	13.88	-
	3	Reimbursement received	**211.93**	**0.99**
		Amal Ltd	211.93	0.99
b)	**Purchases and expenses**			
	1	Purchase of goods	**46.98**	**-**
		Atul Ltd	29.28	-
		Amal Ltd	17.70	-
	2	Interest on unsecured loan	**302.68**	**124.54**
		Amal Ltd	293.38	124.54
		Rudolf Atul Chemicals Ltd	9.30	-
	3	Service charges	**117.47**	**73.06**
		Atul Ltd	41.03	30.60
		Amal Ltd	76.44	42.46

Note 26.2 (B) Transactions with related parties			2022-23	2021-22
	4	Reimbursement of expenses	**89.36**	**11.25**
		Atul Ltd	1.27	-
		Amal Ltd	88.09	11.25
	5	Lease rent expenses	**26.46**	**25.81**
		Atul Ltd	0.01	0.01
		Amal Ltd	26.45	25.80
c)	**Other transactions**			
	1	Equity contribution	**3,000.14**	**-**
		Amal Ltd[1]	3,000.14	-
	2	10% non cumulative redeemable preference shares	**2,000.00**	-
		Amal Ltd[1]	2,000.00	-
	3	Unsecured loan disbursement | (repayments) | (conversion)	**(3.00)**	**2,202.00**
		Amal Ltd[1]	(503.00)	2,202.00
		Rudolf Atul Chemicals Ltd	500.00	-

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

(₹ lakhs)

Note 26.2 (C) Outstanding balances		As at March 31, 2023	As at March 31, 2022
1	Unsecured loan	**2,199.00**	**2,202.00**
	Amal Ltd	1,699.00	2,202.00
	Rudolf Atul Chemicals Ltd	500.00	-
2	Receivables	**73.28**	**0.99**
	Atul Ltd	33.23	-
	Amal Ltd	40.05	0.99
3	Payables	**83.03**	**16.55**
	Atul Ltd	36.11	7.88
	Amal Ltd	46.92	8.67

Note 26.2 (D) Terms and conditions

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

Note 26.3 Current and deferred tax

The major components of income tax expense for the years ended March 31, 2023 and March 31, 2022 are:

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

(₹ lakhs)

Particulars		2022-23	2021-22
i)	**Current tax**		
	Current tax on profit for the year	-	-
	Adjustments for current tax of prior periods	-	-
	Total current tax expense	**-**	**-**
ii)	**Deferred tax**		
	Decrease | (Increase) in deferred tax assets	-	0.25
	Amounts recognised directly in equity	-	-
	Total deferred tax expense | (benefit)	**-**	**0.25**
	Income tax expense	**-**	**0.25**

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

Particulars		2022-23	2021-22
a)	Statutory income tax rate	17.16%	17.16%
b)	Differences due to:		
	i) Others	(17.16%)	(17.60%)
	Effective income tax rate	**0.00%**	**(0.44%)**

c) Income tax assets (net)

(₹ lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	1.03	0.22
Add: Taxes paid in advance	4.57	0.81
Less: Current tax provision	-	-
Closing balance	**5.60**	**1.03**

d) Deferred tax liabilities (net)

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

(₹ lakhs)

Deferred tax liabilities | (assets)	As at March 31, 2023	(Charged) | Credited to profit or loss	As at March 31, 2022	(Charged) | Credited to profit or loss	As at March 31, 2021
Deferred tax: tax loss	-	-	-	(0.25)	(0.25)
Deferred tax: share-issue expenses	(1.27)	-	(1.27)	-	(1.27)
Net deferred tax liabilities | (assets)	**(1.27)**	**-**	**(1.27)**	**(0.25)**	**(1.52)**

Note 26.4 Employee benefit obligations

Funded schemes

a) Defined contribution plans:

Gratuity

The gratuity fund is maintained with Life Insurance Corporation of India under the group gratuity scheme.

(₹ lakhs)

Particulars	Present value of obligation	Fair value of plan assets	Net amount
As at March 31, 2022 liability | (asset)	**-**	**-**	**-**
Current service cost	1.57	-	1.57
Interest expense | (income)	-	-	-
Total amount recognised in Statement of Profit and Loss	**1.57**	**-**	**1.57**
Remeasurement			
(Gain) | loss from change in financial assumptions	-	-	-
Return on plan assets, excluding amount included in interest expense	-	-	-
Experience (gain)	-	-	-
Total (income) | expense recognised in other comprehensive income	**-**	**-**	**-**
Employer contributions	(1.20)	-	(1.20)
Benefits paid	-	-	-
As at March 31, 2023 liability | (asset)	**0.37**	**-**	**0.37**

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

(₹ lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Present value of funded obligations	0.37	-
Fair value of plan assets	-	-
(Surplus) of gratuity plan	**0.37**	**-**

Significant estimates: Actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Discount rate	7.35%	0.00%
Attrition rate	13.00%	0.00%
Rate of return on plan assets	7.35%	0.00%
Salary escalation rate	9.84%	0.00%
Mortality rate	Indian assured lives mortality (2012-14) urban	-

Sensitivity analysis

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

Particulars	Change in assumptions		Impact on defined benefit obligation			
			Increase in assumptions		Decrease in assumptions	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Discount rate	1.00%	1.00%	(9.64%)	0.00%	11.21%	0.00%
Attrition rate	1.00%	1.00%	(5.58%)	0.00%	6.00%	0.00%
Salary escalation rate	1.00%	1.00%	10.83%	0.00%	(9.52%)	0.00%

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

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

Risk exposure

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

i) Interest rate risk

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

ii) Salary risk

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

iii) Investment risk

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

iv) Concentration risk

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

The weighted average duration of the defined benefit obligation is 9 years. The expected maturity analysis of gratuity is as follows:

(₹ lakhs)

Particulars	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
Defined benefit obligation (gratuity)					
As at March 31, 2023	-	-	0.24	3.69	3.93
As at March 31, 2022	-	-	-	-	-

b) Other long-term benefits

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

Note 26.4 Employee benefit obligations (continued)

(₹ lakhs)

Expenses recognised for the year (included in Note 23)	2022-23	2021-22
Present value of unfunded obligations	**3.22**	**-**
- Current	0.46	-
- Non-current	2.76	-
Expense recognised in the Standalone Statement of Profit and Loss	3.35	-
Discount rate	7.35%	-
Salary escalation rate	9.84%	-

c) Defined contribution plans:

Provident fund

State defined contribution plans

Employers' contribution to employees' state insurance

Employers' contribution to employees' pension scheme 1995

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

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

(₹ lakhs)

Particulars	2022-23	2021-22
Contribution to provident fund	1.92	-
Contribution to employees pension scheme 1995	3.32	-
Contribution to employees' state insurance	1.04	-
Contribution to employee depository linked insurance	0.20	-
	6.48	**-**

Note 26.5 Fair value measurements

Financial instruments by category

(₹ lakhs)

Particulars	As at March 31, 2023			As at March 31, 2022		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial assets						
Trade receivables	-	-	220.57	-	-	-
Other receivables	-	-	-	-	-	24.99
Cash and bank balances	-	-	25.87	-	-	0.65
Total financial assets	**-**	**-**	**246.44**	**-**	**-**	**25.64**
Financial liabilities						
Trade payables	-	-	248.62	-	-	0.92
Borrowings	-	-	5,955.11	-	-	7,134.95
Lease liability	-	-	361.06	-	-	352.74
Employee benefits payable	-	-	20.01	-	-	2.81
Creditors for capital goods	-	-	475.35	-	-	542.97
Security deposits	-	-	46.35	-	-	27.61
Total financial liabilities	**-**	**-**	**7,106.50**	**-**	**-**	**8,062.00**

There were no transfers between any levels during the year.

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

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

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

b) Valuation techniques used to determine fair value

Specific valuation techniques used to value financial instruments, if any include:

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

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

c) **Valuation processes**

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

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

(₹ lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
	Carrying amount | Fair value	Carrying amount | Fair value
Financial assets		
Borrowings	5,955.11	7,134.95
Lease liability	361.06	352.74
Total financial liabilities	**6,316.17**	**7,487.69**

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

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

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

Note 26.6 Financial risk management

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

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

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

a) Credit risk

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

i) Credit risk management

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

b) Liquidity risk

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

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

(₹ lakhs)

Contractual maturities of financial liabilities as at March 31, 2023	Less than 1 year	More than 1 year	Total
Borrowings	1,321.18	4,633.93	5,955.11
Trade payables	248.62	-	248.62
Creditors for capital goods	475.35	-	475.35
Security deposits payable	46.35	-	46.35
Employee benefits payable	20.01	-	20.01

(₹ lakhs)

Contractual maturities of financial liabilities as at March 31, 2022	Less than 1 year	More than 1 year	Total
Borrowings	739.94	6,395.01	7,134.95
Trade payables	0.92	-	0.92
Creditors for capital goods	542.97	-	542.97
Security deposits payable	27.61	-	27.61
Employee benefits payable	2.81	-	2.81

c) Market risk

i) Cash flow and fair value interest rate risk

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

Borrowings of the Company are from Amal Ltd (holding company), Rudolf Atul Chemicals Ltd (Joint venture company of ultimate Holding Company) and Axis Bank Ltd and is mainly exposed to interest rate risk due to its variable interest rate borrowings. The interest rate risk arises due to uncertainties about the future market interest rate of these borrowings.

As an estimation of the approximate impact of the interest rate risk, with respect to financial instruments, the Group has calculated the impact of a 25 bps change in interest rates. A 25 bps increase in interest rates would have led to approximately an additional impact of ₹14.89 lakhs (2021-22: ₹17.83 lakhs). A 25 bps decrease in interest rates would have led to an equal but opposite effect.

Note 26.7 Segment information

The Company operates in a single business segment that is the manufacturing of bulk chemicals. Further, its operations are confined within Ankleshwar India. Accordingly, there are no separate reportable segments as per Ind AS - 108 on 'Operating Segment' and no further disclosures are required.

Note 26.8 Earnings per share

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

Particulars		2022-23	2021-22
Profit for the year attributable to the equity shareholders	₹ lakhs	(1,654.81)	(56.52)
Weighted average number of equity shares For basic and diluted EPS	Number	50,14,899	50,00,000
Nominal value of equity share	₹	10	10
Basic EPS	₹	(33.00)	(1.13)
Diluted EPS	₹	(33.00)	(1.13)

Note 26.9 Leases

As a lessee

The Company has taken land on cancellable lease at Ankleshwar from Amal Ltd for 57 years from April 01, 2021.

Following are the changes in carrying value of right-of-use assets (land)

(₹ lakhs)

Particulars	2022-23	2021-22
Opening	338.46	-
Additions	-	344.59
Depreciation | Amortisation	6.13	6.13
Closing	332.33	338.46

Following is the movements in lease liability

(₹ lakhs)

Particulars	2022-23	2021-22
Opening	352.74	-
Additions	-	344.58
Finance cost accrued	34.75	33.96
Payment of lease liability	(26.45)	(25.80)
Closing	361.06	352.74

The table below provides details regarding the contractual maturities of lease liability as at March 31, 2023 on an undiscounted basis:

(₹ lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Not later than 1 year	27.11	26.44
Later than 1 year and not later than 5 years	115.37	112.56
Later than 5 years	2,912.53	2,942.45
Total minimum lease payments payable	**3,055.01**	**3,081.45**

Note 26.10 Disclosure requirement under MSMED Act, 2006

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

(₹ lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	9.05	-
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-
Further interest remaining due and payable for earlier years	-	-

Above disclosures have been made based on information available with the Company, for suppliers who are registered as Micro, Small and Medium Enterprise under 'The Micro, Small and Medium Enterprise Development Act, 2006' as at March 31, 2023. The auditors have relied upon in respect of this matter.

Note 26.11 Capital management

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

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

Total equity includes retained earnings, share capital, security premium, other comprehensive income | (loss), capital contribution and equity capital pending allotment of shares. Total debt includes current debt plus non-current debt (refer note 26.12 (b) for Debt- equity ratio).

Note 26.12 Ratios

No.	Ratio	UoM	Formula	As at March 31, 2023	As at March 31, 2022	% Variance	Reason for variance
a)	Current ratio	Times	A ÷ B	1.62	1.98	(18)%	The Company has commenced its business from July 2022. Thus the ratios do not give appropriate information and are not comparable.
b)	Debt-equity ratio	Times	I ÷ H	2.00	16.38	(88)%	
c)	Debt service coverage ratio	Times	Q ÷ (J + M)	(0.91)	(0.48)	89%	
d)	Return on equity ratio	%	P ÷ average of H	(0.97)	(3.04)	(68)%	
e)	Inventory turnover ratio	Times	L ÷ average of D	25.41	NA	100%	
f)	Trade receivables turnover ratio	Times	L ÷ average of E	20.91	NA	100%	
g)	Trade payables turnover ratio	Times	R ÷ average of G	19.71	7.07	179%	
h)	Net capital turnover ratio	Times	L ÷ average of C	4.25	NA	100%	
i)	Net profit ratio	%	O ÷ L	(0.72)	NA	100%	
j)	Return on Capital Employed	%	(M + O) ÷ average of K	(0.22)	(1.06)	(79)%	
k)	Return on Investment	%	(M + O) ÷ average of F	(0.11)	(0.12)	(3)%	

No.	Base values	UoM	Reference	As at March 31, 2023	As at March 31, 2022
A	Current assets	₹ lakhs	Balance Sheet (current assets)	1,343.47	1,150.89
B	Current liabilities	₹ lakhs	Balance Sheet (current liabilities) - current borrowings and tax liabilities	828.84	580.14
C	Working capital	₹ lakhs	A-B	514.63	570.75
D	Inventories	₹ lakhs	Balance Sheet	181.51	-
E	Trade receivables	₹ lakhs	Balance Sheet	220.57	-
F	Total assets	₹ lakhs	Balance Sheet (total assets)	10,124.41	8,503.50
G	Trade payables	₹ lakhs	Balance Sheet (Note 13)	248.62	0.92
H	Equity	₹ lakhs	Balance Sheet (Note 8+9)	2,976.64	435.67
I	Debt	₹ lakhs	Balance Sheet (Note 10)	5,955.11	7,134.95
J	Principal repayments	₹ lakhs	Balance Sheet	3.55	-
K	Capital employed	₹ lakhs	H + I - capital work-in-progress (Note 2)	8,848.05	792.11
L	Net sales	₹ lakhs	Statement of Profit and Loss	2,305.86	-

No.	Base values	UoM	Reference	As at March 31, 2023	As at March 31, 2022
M	Finance cost	₹ lakhs	Statement of Profit and Loss	586.30	33.96
N	Depreciation	₹ lakhs	Statement of Profit and Loss (Note2)	529.78	6.13
O	PBT	₹ lakhs	Statement of Profit and Loss	(1,654.81)	(56.27)
P	Total comprehensive income	₹ lakhs	Statement of Profit and Loss	(1,654.81)	(56.52)
Q	Net operating income	₹ lakhs	M + N + P	(538.73)	(16.43)
R	Total operating purchase	₹ lakhs	Other expenses (Note 25)	2,459.23	16.25

Note 26.13 Going concern

During the year, the plant was capitalised on July 21, 2022 and production was started on the same day. As at the Balance Sheet date, the working capital is negative by ₹ 806.55 lakhs. The Company has a positive net worth of ₹ 2,976.64 lakhs. The Company have positive budgeted cash flows from operations approved by Board for the next twelve months. Further, the company has also received a support letter from its holding company Amal Limited. Based on all the conditions assessed above, management believes that this plan provides an opportunity for the Company to continue as a going concern.

Note 26.14 Events occurring after Balance Sheet date

The Company received electricity duty exemption approval on April 11, 2023, which is effective from July 21, 2022. The company has provided an impact of ₹ 40.05 lakhs for the year ended March 31, 2023 in the Statement of Profit and Loss.

Note 26.15 Other statutory information

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

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

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

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

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

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

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

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

Note 26.16 Relationship with struck off companies

There were no transactions with struck off companies.

Note 26.17 Rounding off

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

Note 26.18 Foreign currency exposure

There was no foreign currency exposure as on March 31, 2023.

Note 26.19 Authorisation for issue of the Financial Statements

The Financial Statements were authorised for issue by the Board of Directors on April 19, 2023.

In terms of our report attached **For Deloitte Haskins & Sells LLP** Chartered Accountants			For and on behalf of the Board of Directors
Ketan Vora **Partner**	Rajeev Kumar **Director** (DIN: 07731459)	Yogesh Vyas **Director** (DIN: 08914578)	Ankit Mankodi **Director** (DIN: 08914579)
Mumbai April 19, 2023			Atul April 19, 2023

Amal Speciality Chemicals Ltd

O-16, East site offices, Atul 396 020, Gujarat, India

Attendance slip

3rd Annual General Meeting, Tuesday, August 22, 2023

DP ID		Folio number | Client ID	

Full name of the shareholder | proxy attending the meeting

....

(First name) (Middle name) (Surname)

First holder | joint holder | proxy (strike out whichever is not applicable)

Full name of the first holder (if joint holder | proxy attending)

....

(First name) (Middle name) (Surname)

....

Signature of the shareholder | proxy

Amal Speciality Chemicals Ltd

Registered Office: O-16, East site offices, Atul 396 020, Gujarat, India

Proxy form

{Pursuant to Section 105 (6) of the Companies Act, 2013 and Rule 19 (3) of the Companies (Management and Administration) Rules, 2014}
Corporate identification number: U24239GJ2020PLC117229

Name of the Company: Amal Speciality Chemicals Ltd
Registered office: O-16, East site offices, Atul 396 020, Gujarat, India

Name of the member(s):	
Registered address:	
E-mail address:	
Folio number | Client ID: DP ID:	

I | We, being the member(s) of .... shares of the above named Company, hereby appoint:

1. Name: ....
   Address: ....
   ....
   E-mail address: ....
   Signature: .... , or failing him | her

2. Name: ....
   Address: ....
   ....
   E-mail address: ....
   Signature: .... , or failing him | her

3. Name: ....
   Address: ....
   ....
   E-mail address: ....
   Signature: ....

as my | our proxy to attend and vote (on a poll) for me | us and on my | our behalf at the 3rd Annual General Meeting of the Company, to be held on Tuesday, August 22, 2023 at 03:30 pm at O-16, East site offices, Atul 396 020, Gujarat, India and at any adjournment thereof in respect of such resolutions as are indicated below:

No.	Resolutions
1.	Adoption of the Financial Statements and reports thereon for the financial year ended on March 31, 2023
2.	Reappointment of Mr Syamal De as a Director

Signed this day .... of 2023.

Signature of the member .... Signature of the proxy holder(s) ....

Affix Revenue Stamp here

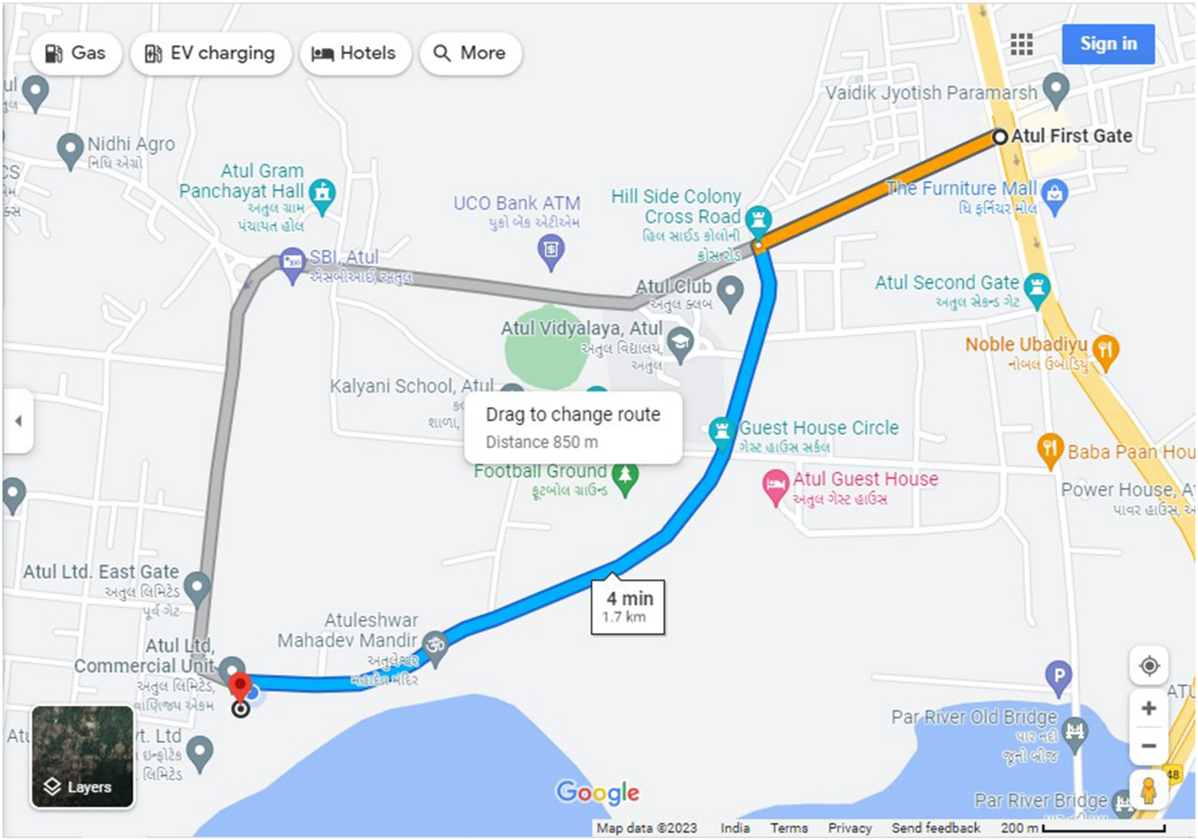
Note:

This proxy form in order to be effective must be duly completed and deposited at the registered office of the Company not less than 48 hours before commencement of the meeting.

Amal Speciality Chemicals Ltd

O-16, East site offices, Atul 396 020, Gujarat, India

Route map



Corporate information

Directors

Mr Rajeev Kumar
Mr Syamal De
Mr Yogesh Vyas
Mr Ankit Mankodi

Auditors

Deloitte Haskins & Sells, LLP

Registered office

O-16, East site offices
Atul 396 020, Gujarat, India
amal_speciality@amal.co.in

Bankers

Axis Bank

Amal Speciality Chemicals Ltd

O-16, East site offices
Atul 396 020, Gujarat
India