Nouryon

Atul

Anaven

Annual Report 2024-25

The logo of Anaven LLP symbolises an enduring partnership rooted in values between Nouryon Chemicals International BV of the Netherlands and Atul Ltd of India. Lotus, the national flower of India, represents purity and ability to rise above hardship. Thus, the blossoming lotus indicates growth with values, epitomising a sustainable future of Anaven. Blue conveys a quest for depth and vision, while saffron, knowledge and courage – together the collaboration seeks to offer quality products that serve and bring value to its customers and thereby contribute meaningfully to all its stakeholders.

Opportunities do not happen. You create them.

- Chris Grosser

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To the Partners of Anaven LLP

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying Financial Statements of Anaven LLP ("the LLP"), which comprise the Balance sheet as at March 31, 2025, the Statement of Profit and Loss, and the Statement of Cash Flows for the year then ended on that date, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Limited Liability Partnership Act, 2008 ("the Act") and Limited Liability Partnership Rules, 2009 ('the Rule') in the manner so required, and give a true and fair view in conformity with the Accounting Standards issued by the Institute of Chartered Accountants of India (the ICAI) ("the Accounting Standards") and the other accounting principles generally accepted in India, of the state of affairs of the LLP as at March 31, 2025, its loss and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) issued by the ICAI. Our responsibilities under those standards are further described in the Auditor's Responsibility for the Audit of the Financial Statements section of our report. We are independent of the LLP in accordance with the Code of Ethics issued by the ICAI, and we have fulfilled our other ethical responsibilities in accordance with the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Management's responsibility for the financial statements

The LLP's management / those charged with governance (designated partners) is responsible for the preparation of the financial statements that give a true and fair view of the financial position and financial performance including cash flows of the LLP in accordance with the accounting principles generally accepted in India, including Accounting Standards issued by the ICAI and the Act and the Rule. This responsibility also includes maintenance of adequate accounting records in accordance with provisions of the Act for safeguarding the assets of the LLP and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management is responsible for assessing the LLP's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Designated Partners either intends to liquidate the LLP or to cease operations, or has no realistic alternative but to do so.

The Management are also responsible for overseeing the LLP's financial reporting process.

Auditor's responsibility for the audit of the financial statements

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 could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism 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.

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 management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the LLP's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the LLP 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.

f) Obtain Sufficient and appropriate audit evidence regarding the financial information of the LLP to express an opinion on the Financial Statements.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes 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 in evaluating the results of our 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.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Ketan Vora
Partner
(Membership No. 100459)
UDIN No. 25100459BMMHKG2319

Mumbai
April 21, 2025

Balance Sheet as at March 31, 2025

(₹ lakh)

Particulars				Note	As at March 31, 2025	As at March 31, 2024
I	EQUITY AND LIABILITIES					
	1	**Partners' funds**				
		a)	Partners' capital			
			i) Partners' contribution	2	13,400.00	13,400.00
		b)	Reserves and surplus	3	(9,769.43)	(6,162.51)
		Total capital			**3,630.57**	**7,237.49**
	2	**Non-current liabilities**				
		a)	Long-term borrowings	4	-	2,440.00
		b)	Other long-term liabilities	5	700.27	796.73
		c)	Long term provisions	6	18.95	22.16
		Total non-current liabilities			**719.22**	**3,258.89**
	3	**Current liabilities**				
		a)	Short-term borrowings	7	11,143.60	8,703.60
		b)	Trade payables			
			i) Total outstanding dues of micro-enterprises and small enterprises; and	8	42.75	70.98
			ii) Total outstanding dues of creditors other than micro-enterprises and small enterprises	8	2,867.41	2,121.57
		c)	Other current liabilities	9	1,859.59	941.49
		d)	Short-term provisions	10	32.08	39.36
		Total current liabilities			**15,945.43**	**11,877.00**
		Total liabilities			**16,664.65**	**15,135.89**
		Total contribution and liabilities			**20,295.22**	**22,373.38**
II	ASSETS					
	1	**Non-current assets**				
		a)	Property, plant and equipment and intangible assets			
			i) Property, plant and equipment	11	14,285.25	16,521.10
			i) Intangible asset	11	3.65	6.27
			iii) Capital work-in-progress	11	65.40	379.00
		b)	Long-term loans and advances	12	-	-
		c)	Other non-current assets	13	581.32	1,133.17
		Total non-current assets			**14,935.62**	**18,039.54**
	2	**Current assets**				
		a)	Inventories	14	2,209.82	2,058.14
		b)	Current investments	15	614.03	175.64
		c)	Trade receivables	16	776.69	981.43
		d)	Cash and bank balance	17	568.68	139.18
		e)	Short-term loans and advances	18	22.30	15.98
		f)	Other current assets	19	1,168.08	963.47
		Total current assets			**5,359.60**	**4,333.84**
		Total assets			**20,295.22**	**22,373.38**
		Summary of significant accounting policies		1		

The accompanying Notes 1 to 42 form an integral part of the Financial Statements

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

Ketan Vora
Partner
Membership Number: 100459

Mumbai

For and on behalf of the Partners of ANAVEN LLP

Gopi Kannan Thirukonda
Body Corporate DP Nominee

Sobers Sethi
Body Corporate DP Nominee

April 21, 2025

Statement of Profit and Loss for the year ended on March 31, 2025

Anaven

(₹ lakh)

	Particulars	Note	2024-25	2023-24
INCOME				
I	Revenue from operations	20	8,548.72	7,249.47
II	Other income	21	35.09	52.22
III	**Total income**		**8,583.81**	**7,301.69**
EXPENSES				
	a) Cost of material consumed	22	4,304.93	4,254.44
	b) Change in inventories of finished goods, work-in progress and stock-in-trade	23	(46.05)	418.75
	c) Finance costs	24	1,311.65	1,202.19
	d) Employee benefit expenses	25	581.98	547.86
	e) Depreciation and amortisation expenses	26	2,647.94	2,611.33
	f) Other expenses	27	3,390.28	3,363.86
IV	**Total expenses**		**12,190.73**	**12,398.43**
V	**Profit | (loss) before tax (III-IV)**		**(3,606.92)**	**(5,096.74)**
	Tax expense			
	Current tax		-	-
	Deferred tax		-	-
VI	**Total tax expenses**		-	-
	Profit I (loss) for the year		**(3,606.92)**	**(5,096.74)**
	Summary of significant accounting policies			

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Body Corporate DP Nominee

April 21, 2025

Statement of Cash Flows for the year ended on March 31, 2025

(₹ lakh)

Particulars		2024-25	2023-24
A CASH FLOW FROM OPERATING ACTIVITIES			
Profit I (loss) before tax		(3,606.92)	(5,096.74)
Adjustments for:			
Depreciation and amortisation expenses		2,647.94	2,611.33
Finance costs		1,311.65	1,202.19
Interest income		(1.12)	(1.68)
Realised loss | (gain) on mutual funds		(17.40)	(19.67)
Unrealised loss | (gain) on reinstatement		(0.94)	1.08
Operating loss before working capital changes		**333.21**	**(1,303.49)**
Adjustments for:			
(Increase) | decrease in inventories		(151.68)	357.27
(Increase) | decrease in non-current and current assets		547.80	254.78
Increase | (decrease) in non-current and current liabilities		708.25	1,076.21
Cash generated from Operations		**1,437.58**	**384.77**
(Income tax paid) net of refund		(1.20)	7.19
Cash flow from operating activities	**A**	**1,436.38**	**391.96**
B CASH FLOW FROM INVESTING ACTIVITIES			
Payment towards property, plant and equipment (including capital advances)		(296.93)	(328.51)
Interest received		1.12	1.68
Profit on sale of mutual fund		17.40	19.67
Redemption of | (investment in) mutual funds		(438.39)	719.04
Net cash used in investing activities	**B**	**(716.80)**	**411.88**
C CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds | (repayment) of long-term borrowing		-	(2,500.00)
Proceeds | (repayment) from short-term borrowing		-	2,848.60
Finance Costs		(290.08)	(1,054.59)
Net cash used in financing activities	**C**	**(290.08)**	**(705.99)**
Net increase I (decrease) in cash and bank balance	**A+B+C**	**429.50**	**97.85**
Cash and bank balance at the beginning of the year		**139.18**	**41.33**
Cash and bank balance at the end of the year		**568.68**	**139.18**
Summary of significant accounting policies	**Note 1**		

i) The above Statement of Cash Flow has been prepared under the 'Indirect Method' set out in accounting standard 3 'Cash Flow Statements' and presents the cash flows by operating, investing and financing activities.

The accompanying Notes 1 to 42 form an integral part of the Financial Statements

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

Ketan Vora
Partner
Membership Number: 100459

Mumbai

For and on behalf of the Partners of ANAVEN LLP

Gopi Kannan Thirukonda
Body Corporate DP Nominee

Sobers Sethi
Body Corporate DP Nominee

April 21, 2025

Notes to the Financial Statements

Anaven

Background

ANAVEN LLP (the LLP) is a limited liability partnership incorporated under the Limited Liability Partnership Act, 2008 of India. The LLP is a partnership between Atul Finserv Ltd and Nouryon Chemicals International BV (formerly Akzo Nobel Chemicals International BV) with the objective of manufacturing chemical products in India.

Note 1 Material accounting policies

a) Basis of preparation

The Financial Statements of LLP have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP) and comply in all material aspects with the Accounting Standards issued by The Institute of Chartered Accountants of India (ICAI).

The Financial Statements have been prepared on accrual basis and under historical cost convention.

b) Use of estimates

The preparation of Financial Statements in conformity with Indian GAAP requires management to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities, on the date of Financial Statement and the result of operations during the reporting period. Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates is recognised in the year in which the estimates are revised and in any future year affected.

c) Other income

Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive payment is established; It is probable that the economic benefits associated with the dividend will flow to the LLP and the amount of dividend can be measured reliably.

d) Property, plant and equipment

All 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.

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 LLP and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the Statement of Income and Expenditure during the year in which they are incurred. Gains or losses arising on retirement or disposal of assets are recognised in the Statement of Income and Expenditure.

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 year.

Capital work-in-progress

Property, plant and equipment which are not ready for intended use as on the date of statement of Assets and Liabilities are disclosed as 'Capital work-in-progress'.

e) Depreciation and amortisation

Depreciation is provided on pro-rata basis as per straight-line method, from the date of acquisition | installation till the date the assets are sold or disposed on the cost of assets, net of their residual values, over their estimated useful lives.

Asset category	Estimated useful life
Building and Road	10 to 30 years
Plant and machinery[1]	3 to 15 years
Office equipment and furniture[1]	3 to 10 years
Vehicles[1]	6 to 10 years
Computer equipment	3 to 6 years

[1]The useful lives have been determined based on technical evaluation done by the Management experts, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original

cost of the asset. The residual values, useful lives and method of depreciation of property, plant and equipment are reviewed annually and adjusted prospectively, if appropriate.

f) Intangible assets

Computer software includes enterprise resource planning project and other cost relating to such software which provides significant future economic benefits. These costs comprise license fees and system integration services.

Technical know- how expenditure qualifying as an intangible asset, is amortised over an economic life of the plant using the straight-line method.

Computer software cost is amortised over a period of 3 years using the straight-line method.

g) Impairment of assets

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

h) Foreign currency transactions

Functional and presentation currency

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

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gain | (loss) resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the Statement of Income and Expenditure.

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.

i) Provisions and contingent liabilities

Provisions

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

Contingent liabilities

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 LLP 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 or a reliable estimate of the amount cannot be made.

j) 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

Notes to the Financial Statements

applicable income tax rates. Deferred tax reflects changes in deferred tax assets and liabilities attributable to temporary differences and unused tax losses.

Deferred tax assets and deferred tax liabilities are calculated by applying tax rate and tax laws that have been enacted or substantively enacted by the Statement of Assets and Liabilities date. Deferred tax assets on account of timing differences are recognised, only to the extent there is a reasonable certainty of its realisation. Deferred tax assets, representing unabsorbed depreciation or carried forward losses are recognised, if and only if there is virtual certainty supported by convincing evidence that there will be adequate future taxable income against which such deferred tax assets can be realised. Deferred tax assets are reviewed at each Statement of Assets and Liabilities date to reassure realisation.

k) Borrowing costs

Borrowing costs include interest and amortisation of ancillary costs incurred. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Income and Expenditure. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the year from commencement of activities relating to construction | development of the qualifying asset upto the date of capitalisation of such asset are added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Income and Expenditure during extended periods when active development activity on the qualifying assets is interrupted.

l) Cash and bank balance:

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

m) Investments:

Investments that are intended to be held for more than a year, from the date of acquisition, are classified as long-term investments and are carried at cost. However, provision for diminution in value of investments is made to recognise a decline, other than temporary, in the value of the investments.

Current investments that are not intended to be held for a period more than one year, are stated at lower of cost and fair value.

n) Lease:

The LLP 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 LLP assesses whether: i) the contract involves the use of an identified asset ii) It has substantially all of the economic benefits from use of the asset through the period of the lease and iii) It has the right to direct the use of the asset.

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

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

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

o) Inventories:

Raw materials, packing materials, purchased finished goods, work-in-progress, finished goods manufactured, fuel, stores and spares other than specific spares for machinery are valued at cost or net realisable value whichever is lower. Net realisable value represents the estimated selling price for inventories less all estimated cost of completion and cost necessary to effect the sale. Engineering inventory cost is arrived on moving weighted average basis.

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

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

p) Revenue recognition:

Revenue is recognised when control of goods is transferred to a customer in accordance with the terms of the contract. The control of the goods is transferred upon delivery to the customers either at factory gate of the LLP or 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 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 LLP expects to be entitled as per contract with a customer. The consideration is determined based on the 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 60 days. Revenue excludes any taxes or duties collected on behalf of the government which are levied on sales such as goods and services tax.

q) Trade receivables:

Trade receivables are recognised when the right to consideration becomes unconditional. These assets are held at amortised cost, less provision for impairment based on expected credit loss.

r) Employee benefits:

i) Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. These benefits include compensated absences such as paid annual leave. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is charged to the Statement of income and expenditure in the period in which such services are rendered.

ii) Long-term employee benefits

(a) Post-employment benefits

Defined contribution plans

The LLP makes specified monthly contribution towards employee provident fund to Government administered provident fund scheme which is defined contribution plan. The LLP's contribution is recognized as an expense in the Statement of income and expenditure during the year in which the employee renders the related service.

Defined benefit plans

Gratuity

The LLP's gratuity benefit scheme is an unfunded defined benefit plan. The LLP's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value.

The present value of the obligation under such defines benefit plan is determined based on actuarial valuation by an independent actuary at the year-end, using the Projected Unit Credit Method, which recognises each period of service as giving rise to one additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan are based on the market yields on Government securities as at the Statement of assets and liabilities date.

Actuarial gains and losses arising during the period are recognised immediately in the Statement of income and expenditure.

(b) Other long-term employee benefits

Compensated absences

Compensated absenses which are not expected to occur within twelve months after the end of the period in which the employee renders the related services, are recognized as a liability at the present value of the defined benefit obligation at the Statement of asstes and liabilities date. The discount rates used for determining the present value of the obligation under defined benefit plan are based on the market yields on Government securities as at the Statement of asstes and liabilities date. Actuarial gains and losses are recognized immediately in the Statement of income and expenditure.

s) Segment reporting:

The LLP operates in a single business segment that is manufacturing of performance and other chemicals. Further, its operations are confined within and outside India and the major customers of the LLP are Atul Ltd and Nouryon Chemicals India Pvt Ltd. Accordingly, there are no separate reportable segments as per Accounting Standard 17 on 'Segment Reporting' and no further disclosures are required.

t) Government grants, subsidies and export incentives:

Government grants and subsidies are recognised when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants | subsidies will be received. Government grants whose primary condition is that the Company should purchase, construct or otherwise acquire capital assets are presented by deducting them from the carrying value of the assets. The grant is recognised as income over the life of a depreciable asset by way of a reduced depreciation charge [or is treated as deferred income which is recognised in the Statement of Profit and Loss on a systematic and rational basis over the useful life of the asset].

Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

Government grants in the nature of promoters' contribution like investment subsidy, where no repayment is ordinarily expected in respect thereof, are treated as capital reserve. Government grants in the form of non-monetary assets, given at a concessional rate, are recorded on the basis of their acquisition cost. In case the non-monetary asset is given free of cost, the grant is recorded at a nominal value.

Other government grants and subsidies are recognised as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis.

Critical estimates and judgements

Preparation of the Financial Statements require use of accounting estimates, judgements and assumptions, which, by definition, will seldom equal.

The areas involving critical estimates or judgements are:

i) Estimation for income tax: Note 1 (j)

ii) Estimation of useful life of tangible assets: Note 1 (e)

iii) Estimation of provision for inventories: Note 1 (o)

iv) Allowance for credit losses on trade receivables: Note 1 (q)

v) Estimation of claims| liabilities: Note 1 (i)

vi) Estimation of defined benefit obligations: Note 1 (r)

vii) Impairment: Note 1 (g)

(₹ *lakh*)

Note 2 Partners' contribution	As at March 31, 2025	As at March 31, 2024
a) Atul Finserv Ltd	6,700.00	6,700.00
b) Nouryon Chemical International B.V (formerly Akzo Nobel Chemicals International B.V.)	6,700.00	6,700.00
	13,400.00	**13,400.00**

The partners has contributed ₹ 67,00,00,000 each, on piecemeal basis with mutual understanding as per requirement.

Note 2A Partners' contribution movement		
Name of Partner	Atul Finserv Ltd	Nouryon Chemical International BV
Agreed contribution	**6,700.00**	**6,700.00**
Share in profit I loss	**50%**	**50%**
As at April 01, 2024 (opening balance)	**6,700.00**	**6,700.00**
Introduced / contributed during the year	-	-
Remuneration for the year	-	-
Interest for the year	-	-
Withdrawals during the year	-	-
Share of profit / loss for the year	-	-
As at March 31, 2025 (closing balance)	**6,700.00**	**6,700.00**

Note 2A Partners' contribution movement		
Name of partner	Atul Finserv Ltd	Nouryon Chemical International BV
Agreed contribution	**6,700.00**	**6,700.00**
Share in profit I loss	**50%**	**50%**
As at 1st April 2023 (opening balance)	**6,700.00**	**6,700.00**
Introduced / contributed during the year	-	-
Remuneration for the year	-	-
Interest for the year	-	-
Withdrawals during the year	-	-
Share of profit / loss for the year	-	-
As at March 31, 2024 (closing balance)	**6,700.00**	**6,700.00**

(₹ *lakh*)

Note 3 Reserves and surplus		As at March 31, 2025	As at March 31, 2024
a)	Balance at the beginning of the year	(6,162.51)	(1,065.77)
b)	Profit I (loss) for the year	(3,606.92)	(5,096.74)
	Balance at the end of the year	**(9,769.43)**	**(6,162.51)**

(₹ *lakh*)

Note 4 Long-term borrowings (refer Note 30)		As at March 31, 2025	As at March 31, 2024
a)	**Secured loan (refer Note 4.1)**		
	Rupee term loan from Nouryon Chemical India Pvt Ltd	2,897.50	2,897.50
	Rupee term loan from Atul Ltd	2,897.50	2,897.50
	Amount of current maturities of long-term debt disclosed under the head 'Short-term borrowings' (refer Note 7)	(5,795.00)	(3,355.00)
		-	**2,440.00**
b)	**Unsecured loan (refer Note 4.2)**		
	Rupee term loan from Atul Ltd	-	-
	Rupee term loan from Nouryon Chemical India Pvt Ltd	2,500.00	2,500.00
	Amount of current maturities of long-term debt disclosed under the head 'short-term borrowings' (refer Note 7)	(2,500.00)	(2,500.00)
		-	**-**
		-	**2,440.00**

4.1. Secured loan from partner

i) Security

The loan is secured by first pari passu charge by way of hypothecation on all the current assets I movable assets and fixed assets | property, plant and equipment of Anaven, present and future in favour of Atul Ltd and Nouryon Chemical India Pvt Ltd in proportion to loan and interest amount outstanding from time to time.

ii) Terms of repayment of term loan

Loan is repayable in 20 equal quarterly instalments of ₹ 6.10 crores each starting from April 2021 to March 2026.

iii) Interest

The rate of interest is Axis Bank 6 months MCLR + 0.65% i.e. 9.95 % (P.Y.9.75%) as at Statement of Assets and Liabilities date.

4.2. Unsecured loan from partner

a) Terms of repayment of loan

Loan from Nouryon Chemical India Pvt Ltd is repayable on the final maturity date.

b) Interest

The rate of interest is 12 months Axis bank MCLR + 135 BPS i.e. 10.45 % p.a. (P.Y 10.45 % p.a) as at Statement of Assets and Liabilities date.

(₹ *lakh*)

Note 5 Other long-term liabilities	As at March 31, 2025	As at March 31, 2024
a) Long term maturities of finance lease obligation (refer Note 32)	700.27	796.73
	700.27	**796.73**

(₹ *lakh*)

Note 6 Long-term provisions	As at March 31, 2025	As at March 31, 2024
a) Provision for leave encashment	18.95	22.16
	18.95	**22.16**

(₹ *lakh*)

Note 7 Short-term borrowing	As at March 31, 2025	As at March 31, 2024
a) **Secured loan (refer Note 7.1)**		
Rupee term loan from a bank	-	-
Rupee term loan from Nouryon Chemical India Pvt Ltd	-	-
Rupee term loan from Atul Ltdd	-	-
Amount of current maturities of long-term debt disclosed under short-term borrowings (refer Note 7)	5,795.00	3,355.00
Rupee term loan from Nouryon Chemical India Pvt Ltd	2,897.50	1,677.50
Rupee term loan from Atul Ltd	2,897.50	1,677.50
	5,795.00	**3,355.00**
b) **Unsecured loan (refer Note 7.2)**		
Rupee term loan from Atul Ltd	174.30	174.30
Rupee term loan from Nouryon Chemical India Pvt Ltd	174.30	174.30
Rupee term loan from LLP Partner - Atul Finserv Ltd	2,500.00	2,500.00
Amount of current maturities of long-term debt disclosed under short-term borrowings (refer Note 7)	2,500.00	2,500.00
Rupee term loan from Nouryon Chemical India Pvt Ltd	2,500.00	2,500.00
	5,348.60	**5,348.60**
	11,143.60	**8,703.60**

Short term borrowings (Refer Note 7.1 & 7.2)

7.1. Secured loan from partner

i) Security

The loan is secured by first pari passu charge by way of hypothecation on all the current assets I movable assets and fixed assets | property, plant and equipment of Anaven, present and future in favour of Atul Ltd and Nouryon Chemical India Pvt Ltd in proportion to loan and interest amount outstanding from time to time.

ii) Terms of repayment of term loan:

Loan is repayable in 20 equal quarterly instalments of ₹ 6.10 crores each starting from April 2021 to March 2026.

iii) Interest:

The rate of interest is Axis Bank 6 months MCLR + 0.65% i.e. 9.95 % (P.Y.9.75%) as at Statement of Assets and Liabilities date.

7.2. Unsecured loan from partner

i) Terms of repayment of loan

Loan from from Nouryon Chemical India Pvt Ltd is repayable on the final maturity date.

Loan from from Atul Ltd is repayable on the final maturity date.

Loan from Atul Finserv Ltd is repayable on the final maturity date.

ii) Interest

The rate of interest on borrowings from Nouryon Chemical India Pvt Ltd is 12 months Axis bank MCLR + 135 BPS i.e. 10.45 % p.a. (P.Y 10.45 % p.a) as at Statement of Assets and Liabilities date.

The rate of interest on borrowings from Atul Ltd and Nouryon Chemical India Pvt Ltd is 12 months Axis bank MCLR + 160 BPS i.e. 11.00 % p.a. (P.Y 10.85%) as at Statement of Assets and Liabilities date.

The rate of interest on borrowings from Atul Finserv Ltd 12 months Axis bank MCLR + 135 BPS i.e. 10.45 % p.a. (P.Y 10.45 % p.a) as at Statement of Assets and Liabilities date.

(₹ *lakh*)

Note 8 Trade payables	**As at March 31, 2025**	**As at March 31, 2024**
a) Total outstanding dues of micro enterprises and small enterprises	42.75	70.98
b) Total outstanding dues of creditors other than micro enterprises and small enterprises		
i) Related party (refer Note 30)	446.53	279.39
ii) Others	2,420.88	1,842.18
	2,867.41	**2,121.57**
	2,910.16	**2,192.55**

Trade payables ageing

(₹ lakh)

No.	Particulars	As at March 31, 2025						
		Not due	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	Total
1	MSME	42.27	-	-	-	-	-	42.27
2	Others	1,799.63	144.94	26.82	894.79	-	-	2,866.18
3	Disputed dues – MSME	-	-	-	0.04	0.14	0.30	0.48
4	Disputed dues – Others	-	-	-	-	0.17	1.06	1.23
		1,841.90	**144.94**	**26.82**	**894.83**	**0.31**	**1.36**	**2,910.16**

(₹ lakh)

No.	Particulars	As at March 31, 2024						
		Not due	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	Total
1	MSME	67.36	3.18	-	-	-	-	70.54
2	Others	1,198.05	766.67	155.67	-	-	-	2,120.39
3	Disputed dues – MSME	-	-	-	0.14	-	0.30	0.44
4	Disputed dues – Others	-	-	-	0.17	0.32	0.69	1.18
		1,265.41	**769.85**	**155.67**	**0.31**	**0.32**	**0.99**	**2,192.55**

(₹ lakh)

Note 9 Other current liabilities		As at March 31, 2025	As at March 31, 2024
a)	Current maturities of finance lease obligation	182.12	182.12
b)	Interest accrued but not due on borrowings	-	296.80
c)	Interest due but not paid on borrowings	1,577.32	258.95
d)	Employee benefits payable	29.09	29.62
e)	Security deposits	14.46	14.46
f)	Retention money	3.55	3.55
g)	Capital creditors	22.26	126.87
h)	Statutory dues (Includes GST, TDS, PF, ESI & Others)	26.02	25.97
i)	Others	4.77	3.15
		1,859.59	**941.49**

(₹ lakh)

Note 10 Short-term provisions		As at March 31, 2025	As at March 31, 2024
a)	Provision for employee benefits	32.08	39.36
		32.08	**39.36**

(₹ *lakh*)

Note 11 Property, plant and equipment, and capital work-in-progress

Particulars	Buildings	Plant and equipment	Leased assets[1]	Laboratory equipment	Office equipment	Equipment furniture and dead stock	Roads	Computer equipment	Intangible assets	Vehicles	Total	Capital work-in-progress
Gross Block												
As at March 31, 2023	**697.82**	**21,947.14**	**1,203.91**	**132.86**	**17.90**	**95.03**	**217.23**	**48.08**	**2.00**	**7.04**	**24,369.01**	**304.58**
Additions	-	113.29	-	22.79	5.44	-	-	2.92	7.90	10.00	162.34	236.76
Disposal, transfer and adjustments	-	-	-	-	-	-	-	-	-	(7.00)	(7.00)	(162.34)
As at March 31, 2024	**697.82**	**22,060.43**	**1,203.91**	**155.65**	**23.34**	**95.03**	**217.23**	**51.00**	**9.90**	**10.04**	**24,524.35**	**379.00**
Additions	-	404.79	-	-	4.31	0.11	-	0.87	-	-	410.08	96.48
Disposal, transfer and adjustments	-	(46.32)	-	(2.56)	(11.94)	2.83	-	20.39	0.78	-	**(36.82)**	(410.08)
As at March 31, 2025	**697.82**	**22,418.90**	**1,203.91**	**153.09**	**15.70**	**97.97**	**217.23**	**72.26**	**10.68**	**10.04**	**24,897.60**	**65.40**
Depreciation | Amortisation												
Up to March 31, 2023	**90.58**	**4,867.24**	**211.99**	**54.15**	**14.46**	**25.56**	**85.88**	**35.24**	**1.09**	**1.99**	**5,388.18**	-
For the year	38.53	2,366.64	120.39	24.79	1.79	8.96	41.27	5.47	2.54	0.95	2,611.33	-
Disposal and transfer	(0.01)	(0.34)	-	0.32	(0.01)	(0.01)	0.02	-	(0.00)	(2.50)	**(2.53)**	-
Up to March 31, 2024	**129.10**	**7,233.54**	**332.38**	**79.26**	**16.24**	**34.51**	**127.17**	**40.71**	**3.63**	**0.44**	**7,996.98**	-
For the year	38.54	2,398.88	120.39	29.09	1.43	9.03	41.27	4.59	3.14	1.58	2,647.94	-
Disposal, transfer and adjustments	-	(43.51)	-	(2.57)	(11.36)	1.10	-	19.86	0.26	-	**(36.22)**	-
Up to March 31, 2025	**167.64**	**9,588.90**	**452.77**	**105.78**	**6.32**	**44.64**	**168.44**	**65.16**	**7.03**	**2.02**	**10,608.70**	-
Net Block												
As at March 31, 2024	568.72	14,826.89	871.53	76.39	7.10	60.52	90.06	10.29	6.27	9.60	16,527.37	379.00
As at March 31, 2025	**530.18**	**12,830.00**	**751.14**	**47.31**	**9.38**	**53.33**	**48.79**	**7.10**	**3.65**	**8.02**	**14,288.90**	**65.40**

[1] The LLP has entered into finance lease arrangements for certain equipment, which provide the LLP an option to purchase the assets at the end of the lease period.

Refer Note 4 for information on property, plant and equipment hypothecated | mortgaged as security by the LLP.

Capital work-in-progress ageing

(₹ *lakh*)

CWIP	As at March 31, 2025					As at March 31, 2024				
	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	42.23	8.67	14.50	-	65.40	132.01	246.99	-	-	379.00
	42.23	**8.67**	**14.50**	**-**	**65.40**	**132.01**	**246.99**	**-**	**-**	**379.00**

Note: There is no CWIP, whose completion is overdue or has exceeded its cost compared to its original plan.

(₹ lakh)

Note 12 Long-term loans and advances	As at March 31, 2025	As at March 31, 2024
a) Capital advances	23.43	23.43
Less: Provision for doubtful advances	(23.43)	(23.43)
	-	-

(₹ lakh)

Note 13 Other non-current asset	As at March 31, 2025	As at March 31, 2024
Balance with government authority		
a) GST receivables	581.32	1,133.17
	581.32	**1,133.17**

(₹ lakh)

Note 14 Inventories[1]	As at March 31, 2025	As at March 31, 2024
a) Raw material and packing material	264.80	244.93
b) Finished goods	163.84	117.79
c) Engineering material	1,781.18	1,695.42
	2,209.82	**2,058.14**

[1]Measured at the lower of cost and net realisable value

(₹ lakh)

Note 15 Current investments	As at March 31, 2025	As at March 31, 2024
Investment in mutual funds quoted:		
a) 13,130.670 units (March 31, 2024; 4,021.424 units) of Tata money market fund - direct plan growth fund face value of ₹ 10 each NAV per unit ₹ 4,716.3196 (March 31, 2023; ₹ 4,367.52)	614.03	175.64
	614.03	**175.64**

(₹ *lakh*)

Note 16 Trade receivables		As at March 31, 2025	As at March 31, 2024
Considered good - unsecured			
a)	Others	0.64	0.90
b)	Related parties (refer Note 30)	776.05	980.53
		776.69	**981.43**

(₹ *lakh*)

Trade receivables ageing

No.	Particulars	As at March 31, 2025						
		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	776.69	-	-	-	-	-	776.69
		776.69	**-**	**-**	**-**	**-**	**-**	**776.69**

(₹ *lakh*)

No.	Particulars	As at March 31, 2024						
		Not due	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	Total
1	Undisputed trade receivables: considered good	980.87	0.56	-	-	-	-	981.43
		980.87	0.56	**-**	**-**	**-**	**-**	**981.43**

(₹ *lakh*)

Note 17 Cash and bank balance		As at March 31, 2025	As at March 31, 2024
a)	Cash on hand	-	-
b)	Balances with banks		
	Current account	568.68	139.18
		568.68	**139.18**

(₹ *lakh*)

Note 18 Short-term loans and advances	As at March 31, 2025	As at March 31, 2024
a) Prepaid expenses	22.30	15.98
	22.30	**15.98**

(₹ *lakh*)

Note 19 Other current assets	As at March 31, 2025	As at March 31, 2024
a) Interest accrued on bank deposits	0.34	0.99
b) Fixed deposit (with original maturity more than 3 month)	6.75	17.97
c) Balance with government authority		
GST receivable	1,113.38	918.79
Advance tax I Tax deducted at source	8.25	7.05
d) Prepayment to suppliers	39.02	17.88
e) Others	0.34	0.79
	1,168.08	**963.47**

(₹ *lakh*)

Note 20 Revenue from operation	2024-25	2023-24
a) Sale of goods	8,547.13	7,249.47
b) Other operating revenue	1.59	-
	8,548.72	**7,249.47**

(₹ *lakh*)

Note 21 Other income	2024-25	2023-24
a) Interest income from bank deposits	0.81	1.01
b) Interest received others	0.31	0.67
c) Gain on sale of investment (net)	17.40	19.67
d) Exchange rate difference gain (net)	8.84	(0.04)
e) Other miscellaneous income	7.73	30.91
	35.09	**52.22**

(₹ *lakh*)

Note 22 Cost of material consumed	2024-25	2023-24
Raw material and packing material consumed		
Stocks at commencement	244.93	367.99
Add: Purchase	4,322.30	4,131.38
	4,567.23	4,499.37
Less: Stocks at close	262.30	244.93
	4,304.93	**4,254.44**

(₹ *lakh*)

Note 23 Changes in inventory of finished goods, work in progress and stock-in-trade	2024-25	2023-24
Stock at close		
Finished goods	163.84	117.79
	163.84	117.79
Less: Stock at commencment		
Finished goods	117.79	536.54
	117.79	536.54
(Increase) I Decrease in stocks	**(46.05)**	**418.75**

(₹ *lakh*)

Note 24 Finance costs	2024-25	2023-24
a) Interest on finance lease	85.66	94.12
b) Interest on partners' loan	1,135.08	1,068.80
c) Other borrowing costs	90.91	39.27
	1,311.65	**1,202.19**

(₹ *lakh*)

Note 25 Employee benefit expenses	2024-25	2023-24
a) Salaries, wages and bonus (refer Note 31)	553.76	517.17
b) Contribution to provident and other funds (refer Note 31)	27.53	28.38
c) Staff welfare	0.69	2.31
	581.98	**547.86**

(₹ *lakh*)

Note 26 Depreciation and amortisation expenses (refer Note 11)	2024-25	2023-24
a) Depreciation on property, plant and equipment	2,644.81	2,608.79
b) Amortisation of intangiable assets	3.14	2.54
	2,647.95	**2,611.33**

(₹ *lakh*)

Note 27 Other expenses	2024-25	2023-24
a) Power, fuel and water	1,094.85	1,109.79
b) Effluent disposal expenses	1,312.11	1,035.79
c) Freight and cartage	159.73	152.12
d) Plant operation charges	62.13	62.12
e) Repair and maintenance	406.95	414.32
f) Lease rent (refer Note 30)	54.69	205.00
g) Community welfare expenses (CER)	100.00	74.94
h) Insurance expense	64.61	75.66
i) Remuneration to the Statutory Auditors		
i) Audit fees	4.76	4.76
ii) Other services	1.98	1.93
j) Legal and professional charges	11.12	11.46
k) Bank charges	0.41	3.18
l) Miscellaneous expenses	116.94	212.79
	3,390.28	**3,363.86**

Note 28 Capital commitment and contigent liability*

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

(₹ *lakh)*

Particulars	As at March 31, 2025	As at March 31, 2024
Estimated amount of contracts remaining to be executed and not provided for (net of advances)		
Property, plant and equipment	54.18	37.41

Note 29 Other commitment

There is a Statutory liability to Spend ₹ 331 Lakh up to March 31, 2026 on account of Corporate Environment Responsibility (CER). Till March 31, 2025 company has spent ₹ 226 Lakh on account of CER.

Note 30 Related party disclosures

Name of the related party and nature of relationship

No.	Name of the related party	Description of relationship
1	Atul Finserv Ltd	Partner
2	Nouryon Chemical International BV	Partner
3	Atul Ltd	Holding company of partner - Atul Finserv Ltd
4	Nouryon Industrial Chemical BV	Subsidiary company of partner - Nouryon Chemical International BV
5	Nouryon Performance Formulations BV	Subsidiary company of partner - Nouryon Chemical International BV
6	Nouryon Functional Chemical LLC	Subsidiary company of partner - Nouryon Chemical International BV
7	Nouryon Chemical India Pvt Ltd	Subsidiary company of partner - Nouryon Chemical International BV
8	Osia Infrastructure Ltd	Subsidiary company of Holding company of partner - Atul Finserv Ltd

(₹ lakh)

(A)	Transactions with related parties	2024-25	2023-24
a)	**Sales, purchase and expenses**		
1	Sales of goods	**8,546.78**	**7,256.60**
	Atul Ltd	6,152.74	4,988.21
	Nouryon Chemical India Pvt Ltd	1,916.52	1,893.16
	Nouryon Performance Formulations BV	367.26	41.63
	Nouryon Functional Chemical LLC	110.26	333.60
2	Purchase of goods and services	795.60	**975.60**
	Atul Ltd	793.37	975.60
	Osia Infrastructure Ltdd	2.23	-
3	Reimbursement of expenses	**53.03**	**91.87**
	Atul Ltdd	1.03	3.22
	Nouryon Chemical India Pvt Ltd	52.00	88.65
	Nouryon Performance Formulations BV	-	-
4	Interest Expense	**1,134.78**	**1,068.79**
	Atul Ltd	306.40	369.36
	Atul Finserv Ltd	260.99	164.89
	Nouryon Chemical India Pvt Ltd	567.39	534.54
5	Loan taken during the year	**-**	**2,848.60**
	Atul Ltd	-	174.30
	Atul Finserv Ltd	-	2,500.00
	Nouryon Chemical India Pvt Ltd	-	174.30
6	Repayment of loan during the year	**-**	**2,500.00**
	Atul Ltd	-	2,500.00
	Nouryon Chemical India Pvt Ltd	-	-
7	Commision expense	**-**	-
	Nouryon Performance Formulations BV	-	-
8	Lease rent	**235.82**	**432.92**
	Atul Ltd	235.82	432.92

(₹ *lakh*)

(B)	Balances as at year end	As at March 31, 2025	As at March 31, 2024
a)	**Partner's contribution**	**13,400.00**	**13,400.00**
	Atul Finserv Ltd	6,700.00	6,700.00
	Nouryon Chemical International BV	6,700.00	6,700.00
b)	**Payables**	**2,023.85**	**859.42**
	Atul Ltd	836.42	402.47
	Nouryon Chemical India Pvt Ltd	804.14	308.55
	Atul Finserv Ltd	383.29	148.40
	Osia Infrastructure Ltd	-	-
c)	**Receivables**	**776.55**	**980.53**
	Atul Ltd	614.88	757.68
	Nouryon Chemical India Pvt Ltd	161.67	222.85
	Nouryon Performance Formulations	-	-
	Nouryon Functional Chemical LLC	-	-
d)	**Unsecured loan**	**5,348.60**	**5,348.60**
	Atul Ltd	174.30	174.30
	Nouryon Chemical India Pvt Ltd	2,674.30	2,674.30
	Atul Finserv Ltd	2,500.00	2,500.00
e)	**Secured loan**	**5,795.00**	**5,795.00**
	Atul Ltd	2,897.50	2,897.50
	Nouryon Chemical India Pvt Ltd	2,897.50	2,897.50

Note 31 Employee benefits

Funded schemes

a) Defined benefit plans:

Gratuity: The LLP operates a gratuity plan through the 'Anaven Employees Gratuity Trust'. Every employee is entitled to a benefit equivalent to fifteen days salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972 or the LLP scheme whichever is beneficial. The benefits vest after five years of continous service, and the same is payable at the time of separation from the LLP or retirement, whichever is earlier.

(₹ *lakh*)

Expenses recognised for the year ended on March 31, 2024 (included in Note 25)				
Particulars			As at March 31, 2025	As at March 31, 2024
1.	**Change in present value of obligation**			
	a)	Present value of obligation at beginning of the year	27.09	24.31
	b)	Current service cost	5.66	5.14
	c)	Interest cost	1.95	1.79
	d)	Liability transferred in I acquisitions	-	0.98
	e)	(Liability transferred out/ divestments)	(4.18)	(3.54)
	f)	Actuarial loss | (gain)- due to change in demographic assumptions	2.19	(0.43)
	g)	Actuarial loss | (gain)- due to change in financial assumptions	0.39	1.07
	h)	Actuarial loss | (gain)- due to experience	(1.98)	(0.31)
	i)	Benefits paid	(10.31)	(1.92)
	j)	Present value of obligation at the end of the year	20.80	27.09
2.	**Change fair value of plan assets:**			
	a)	Fair value of plan assets at beginning of the year	19.83	21.75
	b)	Expected return on plan assets	1.43	1.60
	c)	Actuarial loss | (gain) - due to experience	2.77	(1.58)
	d)	Contributions	7.24	2.55
	e)	Assets transferred in / acquisitions	-	0.98
	f)	(Assets transferred out / divestments)	(4.18)	(3.55)
	g)	Benefits paid	(10.32)	(1.92)
	h)	Fair value of plan assets at end of the year	16.78	19.83
3.	**Reconciliation of present value of the obligation and the fair value of plan assets and amounts recognised in the Statement of Assets and Liabilities**			
	a)	Present value of the defined benefit obligation at the end of the year	20.80	27.09
	b)	Fair value of plan assets at the end of the year	16.78	19.83
	c)	Net liability recognised in the statement of assets and liabilities	4.02	7.24
4.	**Gratuity cost recognised during the year**			
	a)	Current service cost	5.66	5.14
	b)	Interest cost	0.52	0.19
	c)	Expected return on plan assets	-	-
	d)	Actuarial loss | (gain)	(2.16)	1.91
	e)	Total expense	4.02	7.24

(₹ *lakh*)

Expenses recognised for the year ended on March 31, 2024 (included in Note 25)				
Particulars			**As at March 31, 2025**	**As at March 31, 2024**
5.	**Actuarial assumptions**			
	a)	Discount rate	6.71%	7.19%
	b)	Rate of return on plan assets	6.71%	7.19%
	c)	Salary escalation rate	10.07%	10.36%
	d)	Attrition rate	10.00%	14.00%
	e)	Mortality rate	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)
6.	**Net asset | liability recognised in the Statement of Assets and Liabilities**			
	Defined benefit obligation		(20.80)	(27.09)
	Plan assets		16.78	19.83
	(Deficit) | Surplus		(4.02)	(7.24)
	Experience adjustments in plan liabilities loss | (gain)		(1.98)	(0.31)
	Experience adjustments in plan assets loss | (gain)		2.77	(1.58)

b) Defined contribution plan:

Amount of ₹ 20.56 lakh (previous year: ₹ 18.56 lakh) is recognised as expense and included in the Note 25 'Contribution to Provident and Other funds'.

Unfunded schemes

Compensated absences

(₹ *lakh*)

Particulars		As at March 31, 2025	As at March 31, 2024
a)	Present value of unfunded obligations	20.54	25.10
b)	Expense recognised in the statement of income and expenditure	6.57	3.72
c)	Discount rate (per annum)	6.71%	7.19%
d)	Salary escalation rate (per annum)	10.07%	10.36%

Note 32 Leases

As a lessee

The LLP has taken equipment on cancellable lease from Atul Ltd for 10 years.

(₹ *lakh*)

Particulars	Lease inception date	Annual rent
25 kg bagging machine for MCA flakes	February 01, 2021	61.92
ZLD discharge equipment - ETP phase I	September 01, 2021	114.24
ZLD discharge equipment - ETP phase II	March 01, 2021	5.96

i) Following are the changes in carrying value of right-of-use assets (plant and machinery)

(₹ *lakh*)

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	871.53	991.92
Additions	-	-
Depreciation	120.39	120.39
Disposals and transfers	-	-
Closing balance	751.14	871.53

ii) Following is the movements in lease liabilities

(₹ *lakh*)

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	978.81	1,066.85
Additions	-	-
Payment of lease liabilities	(96.42)	(88.04)
Disposals and transfers	-	-
Closing balance	882.39	978.81

iii) The following table provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

(₹ *lakh*)

Particulars	As at March 31, 2025	As at March 31, 2024
Not later than one year	105.70	96.46
Later than one year and not later than five years	534.13	487.46
Later than five years	242.56	394.89
Total	882.39	978.81

(₹ *lakh*)

Note 33 Government grants, subsidies and export incentives	As at March 31, 2025	As at March 31, 2024
Government grants received by the LLP during the year towards :		
- Other incentives (Electricity duty exemption)	91.60	91.85
	91.60	**91.85**

(₹ *lakh*)

Note 34 Deferred tax assets | (liabilities)	As at March 31, 2025	As at March 31, 2024
Property, plant and equipment	(5,277.02)	(4,052.66)
Total deferred tax liabilities	**(5,277.02)**	**(4,052.66)**
Carried forward business losses	5,277.02	4,052.66
Total deferred tax assets	**5,277.02**	**4,052.66**
Net deferred tax (liabilities) | assets	**-**	**-**

Recognition of deferred tax asset on carried forward losses is restricted to the extent of deferred tax liabilities, considering that there is no virtual uncertainty of its realisability.

(₹ *lakh*)

Note 35 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006	As at March 31, 2025	As at March 31, 2024
Principal amount remaining unpaid to any supplier as at the end of the accounting year	39.74	70.98
Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
The amount of interest due and payable for the year	-	-
The amount of interest accrued and remaining unpaid at the end of the accounting year	3.00	3.49
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

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Note 36 Ratios

(₹ *lakh*)

No.	Ratio	UoM	Formula	As at March 31, 2025	As at March 31, 2024	% Variance	Reason for variance
01.	Current ratio	Times	A ÷ B	1.56	1.39	12.21	Below threshold of 25%
02.	Debt-equity ratio	Times	I ÷ H	3.31	1.67	97.76	Increased due to Losses in the current year
03.	Debt service coverage ratio	Times	Q ÷ (J+M)	0.03	(0.13)	(121.86)	Negative due to Losses incurred in the current year
04.	Return on equity ratio	%	P ÷ average of H	(66.38)	(52.08)	27.44	Increased due to reduction in Losses in the current year
05.	Inventory turnover ratio	Times	L ÷ average of D	4.01	3.24	23.60	Below threshold of 25%
06.	Trade receivables turnover ratio	Times	L ÷ average of E	9.72	6.60	47.27	Increased due to additional sales in the current year
07.	Trade payables turnover ratio	Times	(R+S) ÷ average of G	2.32	3.64	(36.30)	Decreased due to increased purchase and high payables balance resulting in lower purchases during the year
08.	Net capital turnover ratio	Times	L ÷ average of C	5.96	3.56	67.22	Increased due to higher sales and lower working capital
09.	Net profit ratio	%	P ÷ L	(42.19)	(70.30)	(39.99)	Losses incurred in the current year
10.	Return on capital employed	%	(M + O) ÷ average of K	(13.28)	(18.17)	(26.91)	Negative due to Losses incurred in the current year
11.	Return on investment	%	(M + O) ÷ average of F	(10.76)	(16.10)	(33.19)	Negative due to Losses incurred in the current year

Note 36 Ratios (continued)

(₹ *lakh*)

No.	Base values	UoM	Reference	As at March 31, 2025	As at March 31, 2024
A	Current assets	₹ lakh	Statement of Assets and Liabilities (current assets) - current investments	4,745.57	4,158.20
B	Current liabilities	₹ lakh	Statement of Assets and Liabilities (current liabilities) - current borrowings and tax liabilities	3,042.39	2,991.27
C	Working capital	₹ lakh	A-B	1,703.18	1,166.93
D	Inventories	₹ lakh	Statement of Assets and Liabilities (Note 14)	2,209.82	2,058.14
E	Trade receivables	₹ lakh	Statement of Assets and Liabilities (Note 16)	776.69	981.43
F	Total assets	₹ lakh	Statement of Assets and Liabilities (total assets)	20,295.22	22,373.37
G	Trade payables	₹ lakh	Statement of Assets and Liabilities (Note 8)	2,910.15	2,192.55
H	Equity	₹ lakh	Statement of Assets and Liabilities (Note 2+3)	3,630.57	7,237.49
I	Debt	₹ lakh	Statement of Assets and Liabilities (Note 4+5+7)+current borrowing	12,025.99	12,122.45
J	Principal repayments	₹ lakh	Balance sheet	11,143.60	8,703.60
K	Capital employed	₹ lakh	H + I + Deferred tax liability (Notes 31) - capital work-in- progress (Notes 11) - Revaluation reserve	15,591.16	18,980.94
L	Net sales	₹ lakh	Statement of Income and Expenditure (Note 20)	8,548.72	7,249.47
M	Finance cost	₹ lakh	Statement of Income and Expenditure (Note 24)	1,311.65	1,202.19
N	Depreciation	₹ lakh	Statement of Income and Expenditure (Note 11)	2,647.94	2,611.33
O	Profit | (loss) before tax	₹ lakh	Statement of Income and Expenditure	(3,606.92)	(5,096.74)

(₹ lakh)

No.	Base values	UoM	Reference	As at March 31, 2025	As at March 31, 2024
P	Profit | (loss) after tax	₹ lakh	Statement of Income and Expenditure	(3,606.92)	(5,096.74)
Q	Net operating income	₹ lakh	M + N + P	352.67	(1,283.23)
R	Total operating purchase	₹ lakh	Purchase of Raw material (Note 22) + power, fuel and water (Note 26) + repair and maintenance (Note 26)	5,824.10	5,655.49
S	Capital purchase	₹ lakh	Addition in capital work-in-progress (Note 11)	96.48	236.76

Note 37 Segment information

a) Business segment

The LLP operates in a single business segment that is manufacturing of performance and other chemicals. Further, its operations are confined within and outside India and the major customers of the LLP are Atul Ltd and Nouryon Chemicals India Pvt Ltd. Accordingly, there are no separate reportable segments as per Accounting Standard 17 on 'Segment Reporting' and no further disclosures are required.

b) Geographical segment

(₹ lakh)

Particulars	In India		Outside India		Total	
	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
Segment revenue	8,069.60	6,874.20	477.53	375.26	8,547.14	7,249.47
Carrying cost of assets by location of assets	20,295.22	22,373.38	-	-	20,295.22	22,373.38
Additions to property, plant and equipment and closing Capital work-in-progress	475.48	399.10	-	-	475.48	399.10

c) Revenue from major customers

Revenue of approximately ₹ 6,152.74 lakh, ₹ 1,916.52 lakh (March 31, 2024: ₹ 4,988.21 lakh, ₹ 1,893.16 lakh) are derived from two customers.

Note 38 Other statutory information

a) The LLP 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 the tax assessments under the Income-tax Act, 1961.

b) The LLP is not declared wilful dafulter by any bank or financial institution or other lenders.

c) The LLP has not traded or invested in crypto currency or virtual currency during the year.

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

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

Note 39 Going concern

The LLP has positive net worth of ₹ 3,630.57 lakh. There is a considerable improvement in sales, which is increased by 18%, losses reduced by ₹ 1,489.82 lakh and EBITDA has turned positive ₹ 352.67 lakh during the year ended March 31, 2025. The LLP has accumulated losses of ₹ 9,769.43 lakh, also the LLP's current liabilities (including ₹ 12,720.92 lakh for loan and interest accrued due to designated partners) exceed its current assets by ₹ 10,585.83 lakh. The LLP has defaulted in repayment of the instalments due on its secured and unsecured loan (including accumulated interest thereon) taken from the designated partners of the LLP aggregating to ₹ 10,280.92 lakh. These events and conditions indicate that a material uncertainty exists that may cast significant doubt on the LLP's ability to continue as a going concern i.e., whether the LLP will be able to realise its assets and discharge all its contractual obligations and liabilities as they fall due in near future in the normal course of business.

The Management has evaluated possible improvement plans and as stated above it has shown positive impact. We will continue further steps to improve the business performance. It has no intention to liquidate the LLP or to cease operations as of date. However in the opinion of the Management, the LLP will be able to operate uninterruptedly given the excess of current assets over current liabilities excluding dues to the partners and the strong internal demand of a Partner for the product produced with the continued financial and operational support from the partners.

Considering the above, the LLP and the designated partners have a reasonable expectation that the LLP will be able to realise its assets and discharge its contractual obligations and liabilities as they fall due in the near future in the normal course of business. Accordingly, the financial statements have continued to be prepared on a going concern basis.

Note 40 Relationship with struck off companies

There were no transactions or balances with struck off companies.

Note 41 Rounding off

Figures less than ₹ 500 have been shown at actual in brackets.

Note 42 Authorisation for issue of the Financial Statements

The Financial Statements were authorised for issue by the Partners on April 21, 2025.

In terms of our report attached	For and on behalf of the Partners of ANAVEN LLP
For Deloitte Haskins & Sells LLP **Chartered Accountants**	Gopi Kannan Thirukonda **Body Corporate DP Nominee**
Ketan Vora **Partner** **Membership Number: 100459**	Sobers Sethi **Body Corporate DP Nominee**
Mumbai	April 21, 2025

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