

Balance Sheet as at March 31, 2025

(₹ lakhs)

Particulars	Note	As at March 31, 2025	As at March 31, 2024
A ASSETS			
1. Non-current assets			
a) Property, plant and equipment	2	82,504.16	84,311.04
b) Capital work-in-progress	2	490.48	3,447.81
c) Intangible assets	2.1	14.79	25.01
d) Financial assets			
i) Other financial assets		265.47	236.30
e) Income tax assets (net)	25.03	34.76	10.31
f) Other non-current assets	4	5,682.30	8,132.07
Total non-current assets		88,991.96	96,162.54
2. Current assets			
a) Inventories	5	2,168.22	1,105.43
b) Financial assets			
i) Investments	6	2,844.01	291.21
ii) Trade receivables	7	3,902.61	1,942.85
iii) Cash and cash equivalents	8	66.83	172.94
iv) Other financial assets	3	507.46	1.99
c) Other current assets	4	3,953.85	4,708.57
Total current assets		13,442.98	8,222.99
Total assets		1,02,434.94	1,04,385.53
B EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	9	500.00	500.00
b) Other equity	10	43,353.40	45,323.46
Total equity		43,853.40	45,823.46
Liabilities			
1. Non-current liabilities			
a) Financial liabilities			
i) Borrowings	11	52,758.83	49,303.19
ii) Lease liabilities	25.11	148.91	164.90
b) Provisions	12	29.84	9.84
Total non-current liabilities		52,937.58	49,477.93
2. Current liabilities			
a) Financial liabilities			
i) Borrowings	11	420.13	56.71
ii) Trade payables			
Total outstanding dues of			
a) Micro-enterprises and small enterprises	13	289.12	42.32
b) Creditors other than micro-enterprises and small enterprises	13	1,753.42	1,488.78
iii) Lease liabilities	25.11	15.99	14.70
iv) Other financial liabilities	14	2,932.37	6,614.98
b) Contract liabilities	15	176.06	809.90
c) Other current liabilities	16	54.42	55.49
d) Provisions	12	2.45	1.26
Total current liabilities		5,643.96	9,084.14
Total liabilities		58,581.54	58,562.07
Total equity and liabilities		1,02,434.94	1,04,385.53

The accompanying Notes 1-25 form an integral part of the Financial Statements.

In terms of our report attached

For B R Shah & Associates

Chartered Accountants

FRN: 129053W

For and on behalf of the Board of Directors

Bharat Joshi

(DIN: 02952299)

Director

Deval Desai

Partner

Membership No. 132426

Lalit Patni

(DIN:02564572)

Director

Ahmedabad

April 17, 2025

Atul

April 17, 2025

Atul Products Ltd

Statement of Profit and Loss

for the year ended on March 31, 2025



(₹ lakhs)

Particulars	Note	2024-25	2023-24
INCOME			
Revenue from operations	17	35,289.51	6,485.40
Other income	18	70.30	66.89
Total income		35,359.81	6,552.29
EXPENSES			
Cost of materials consumed	19	4,690.94	477.79
Purchases of stock-in-trade		261.75	-
Changes in inventories of finished goods, work-in-progress and stock-in-trade	20	55.63	(177.44)
Power, fuel and water	21	17,439.91	4,602.84
Employee benefit expenses	22	689.12	209.79
Finance costs	23	4,533.72	1,872.07
Depreciation and amortisation expenses	2	7,952.50	2,426.14
Other expenses	24	2,560.13	376.48
Total expenses		38,183.70	9,787.67
(Loss) before tax		(2,823.89)	(3,235.38)
Tax expense			
Current tax	25.03	(0.09)	0.09
Deferred tax	25.03	-	-
Total tax expense		(0.09)	0.09
(Loss) for the year		(2,823.80)	(3,235.47)
Other comprehensive income			
Items that will not be reclassified to profit loss			
i) Remeasurement gain (loss) on defined benefit plans (net of taxes)		(4.88)	(0.56)
Other comprehensive income, net of tax		(4.88)	(0.56)
Total comprehensive income for the year		(2,828.68)	(3,236.03)
Earnings per equity share of ₹ 10 each			
Basic earnings (₹)	25.08	(56.48)	(64.71)
Diluted earnings (₹)	25.08	(56.48)	(64.71)

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For and on behalf of the Board of Directors

Bharat Joshi
(DIN: 02952299)
Director

Deval Desai
Membership No. 132426

Lalit Patni
(DIN:02564572)
Director

Ahmedabad
April 17, 2025

Atul
April 17, 2025

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



		(₹ lakhs)	
Particulars	2024-25	2023-24	
A CASH FLOW FROM OPERATING ACTIVITIES			
(Loss) before tax	(2,823.89)	(3,235.38)	
Adjustments for:			
Depreciation and amortisation expenses	7,952.50	2,426.14	
Finance costs	4,533.72	1,872.07	
Loss due to damage of property, plant and equipment (net)	23.68		
Unrealised exchange rate difference (net)	57.06	(47.69)	
Realised exchange rate difference (net) on Capital Creditors	(53.97)	2.92	
Interest income	(18.34)	(20.01)	
Interest from others	(0.20)	(0.47)	
(Gain) on disposal of current investments measured at FVTPL (net)	(47.94)	(1.23)	
Operating Profit before change in operating assets and liabilities	9,622.62	996.36	
Adjustments for:			
(Increase) in inventories	(1,062.79)	(1,105.43)	
(Increase) in trade receivables	(1,959.76)	(1,942.85)	
(Increase) in other financial assets	(534.64)	(0.71)	
(Increase) Decrease in other assets	3,127.10	(1,153.11)	
Increase in trade payables	511.44	1,530.35	
Increase in other financial liabilities	40.48	58.61	
(Decrease) in other current liabilities	(1.07)	(50.15)	
Increase (Decrease) in contract liabilities	(633.84)	809.90	
Increase in provisions	16.31	14.83	
Cash (used in) generated from operations	9,125.85	(842.21)	
Income tax paid (net of refund)	24.36	1.16	
Net cash flow from (used) in operating activities	A 9,101.49	(843.37)	
B CASH FLOW FROM INVESTING ACTIVITIES			
Payments towards property, plant and equipment (including capital advances and CWIP)	(6,850.57)	(14,133.98)	
Redemption of (Investment in) bank deposits (net)	-	(16.43)	
Redemption of (Investment in) current investments measured at FVTPL (net)	(2,504.86)	(289.98)	
Interest received	18.54	20.48	
Net cash used in investing activities	B (9,336.89)	(14,419.91)	
C CASH FLOW FROM FINANCING ACTIVITIES			
Disbursements of borrowings ¹	1,450.00	31,778.23	
Repayment of loan	(56.71)	(9,973.15)	
Interest paid	(1,232.06)	(6,044.54)	
Payment of lease liabilities	(30.50)	(30.50)	
Share issue expenses	(1.45)	(330.11)	
Net cash generated from financing activities	C 129.28	15,399.93	
Net increase (decrease) in cash and cash equivalents	A+B+C (106.11)	136.64	
Cash and cash equivalents at the beginning of the year	172.94	36.30	
Cash and cash equivalents at the end of the year (refer Note 8)	66.83	172.94	

Notes:

¹ During the year 2024-25, Company issued 1,45,00,000 9.5% non-cumulative redeemable preference shares of ₹ 10 per share at par.

² Loan and Cumulative redeemable preference shares of ₹ 670.22 cr and ₹ 94.50 cr respectively, were converted into non-cumulative redeemable preference shares during the previous year.

³The 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 the Companies (Indian Accounting Standards) Rules, 2015, as amended.

⁴Reconciliation of changes in liabilities arising from financing activities.

		(₹ lakhs)	
Particulars	2024-25	2023-24	
Borrowing at the beginning of the year	49,359.90	76,045.00	
Disbursements	1,450.00	31,778.24	
Repayments and Equity component of non-cumulative redeemable preference shares	(916.78)	(59,010.34)	
Interest expense	4,517.91	6,591.54	
Interest paid	(1,232.06)	(6,044.54)	
Borrowing as at the end of the year	53,178.96	49,359.90	

The accompanying Notes 1-25 form an integral part of the Financial Statements.

In terms of our report attached

For and on behalf of the Board of Directors

For B R Shah & Associates

Chartered Accountants

FRN: 129053W

Bharat Joshi

(DIN: 02952299)

Director

Deval Desai

Membership No. 132426

Lalit Patni

(DIN:02564572)

Director

Ahmedabad

April 17, 2025

Atul

April 17, 2025

Atul Products Ltd

Statement of changes in equity

for the year ended on March 31, 2025



A Equity share capital

		(₹ lakhs)
Particulars	Note	Amount
Balance as at April 01, 2023		500.00
Changes in equity share capital during the year		-
Balance as at March 31, 2024		500.00
Changes in equity share capital during the year		-
Balance as at March 31, 2025	9	500.00

B Other equity

(₹ lakhs)			
Particulars	Equity component of non-cumulative redeemable preference shares	Reserves and surplus	Total other equity
		Retained earnings ¹	
Balance as at April 01, 2023	-	(147.59)	(147.59)
(Loss) for the year	-	(3,235.47)	(3,235.47)
Other comprehensive income, net of tax	-	(0.56)	(0.56)
Total comprehensive income for the year	-	(3,236.03)	(3,236.03)
Issued during the year	49,037.19	-	49,037.19
Share issue expenses, net of tax	-	(330.11)	(330.11)
Balance as at March 31, 2024	49,037.19	(3,713.73)	45,323.46
(Loss) for the year	-	(2,823.80)	(2,823.80)
Other comprehensive income, net of tax	-	(4.88)	(4.88)
Total comprehensive income for the year	-	(2,828.68)	(2,828.68)
Issued during the year	860.07	-	860.07
Share issue expenses, net of tax	-	(1.45)	(1.45)
Balance as at March 31, 2025	49,897.26	(6,543.86)	43,353.40

¹ Includes balance of remeasurement loss on defined benefit plans of ₹ 5.44 lakhs (March 31, 2024 : ₹0.56 lakhs)

The accompanying Notes 1-25 form an integral part of the Financial Statements.

In terms of our report attached

For B R Shah & Associates

Chartered Accountants

FRN: 129053W

For and on behalf of the Board of Directors

Bharat Joshi

(DIN: 02952299)

Director

Deval Desai

Membership No. 132426

Lalit Patni

(DIN:02564572)

Director

Ahmedabad

April 17, 2025

Atul

April 17, 2025

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

(₹ lakhs)									
Particulars	Right-of-use leasehold land ¹	Buildings	Plant & Equipment	Vehicles	Roads	Office Equipment	Furniture and fixtures	Total	Capital work-in-progress ²
Gross carrying amount									
As at April 01, 2023	277.82	-	-	-	-	5.36	4.58	287.76	71,583.12
Additions	-	2,544.69	83,576.21	0.21	365.82	9.77	47.01	86,543.71	18,408.40
Disposals, transfers and adjustments	(80.35)	-	-	-	-	-	-	(80.35)	(86,543.71)
As at March 31, 2024	197.47	2,544.69	83,576.21	0.21	365.82	15.13	51.59	86,751.12	3,447.81
Additions	-	756.37	5,360.48	0.11	25.86	20.92	26.89	6,190.63	3,233.30
Disposals, transfers and adjustments	-	-	(59.59)	-	-	-	-	(59.59)	(6,190.63)
As at March 31, 2025	197.47	3,301.06	88,877.10	0.32	391.68	36.05	78.48	92,882.16	490.48
Depreciation Amortisation									
As at April 01, 2023	46.30	-	-	-	-	2.30	1.06	49.66	-
For the year	19.75	26.76	2,354.79	0.07	24.39	2.38	2.00	2,430.14	-
Disposals, transfers and adjustments	(39.72)	-	-	-	-	-	-	(39.72)	-
As at March 31, 2024	26.33	26.76	2,354.79	0.07	24.39	4.68	3.06	2,440.08	-
For the year	19.75	100.15	7,724.80	0.23	77.54	8.04	9.61	7,940.12	-
Disposals, transfers and adjustments	-	-	(2.20)	-	-	-	-	(2.20)	-
As at March 31, 2025	46.08	126.91	10,077.39	0.30	101.93	12.72	12.67	10,378.00	-
Net carrying amount									
As at March 31, 2024	171.14	2,517.93	81,221.42	0.14	341.43	10.45	48.53	84,311.04	3,447.81
As at March 31, 2025	151.39	3,174.15	78,799.71	0.02	289.75	23.33	65.81	82,504.16	490.48

Notes:

¹ Refer Note 25.11 for disclosure of Right-of-use assets under lease.² Capital work-in-progress mainly comprises projects in progress.³ Refer note 11(d) for information on property, plant and equipment hypothecated | mortgaged as security by the company.

Refer Note 25.01 for disclosure of contractual commitment for acquisition of property, plant and equipment.

According to assessment of the Management, there are no events or changes in circumstances that suggest impairment of property, plant and equipment as per Ind AS 36 'Impairment of Assets'. Consequently no provision for impairment has been recorded.

Capital work-in-progress ageing

Particulars	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	464.31	26.17	-	-	490.48	1,057.65	2,365.83	24.33	-	3,447.81

Capital work-in-progress completion schedule

(₹ lakhs)								
Particulars	As at March 31, 2025				As at March 31, 2024			
	To be completed in				To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress	490.48	-	-	-	3,447.81	-	-	-

Atul Products Ltd

Notes to the Financial Statements



Background

Atul Products Ltd (the Company) is a public company limited by shares, incorporated and domiciled in India, having CIN U24304GJ2020PLC117189. The Company is a wholly owned subsidiary of Atul Ltd. Its registered office is located at E-7 east site, Atul, Valsad, Gujarat 396020, India and its principal place of business is located at Atul 396 020, Gujarat, India.

The Company is formed with an objective of setting up manufacturing facilities for basic and speciality chemicals. The Company has commissioned its 300 tpd Caustic and 50 MW power plant in December 2023.

Note 1 Material accounting policies

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

a) Statement of compliance

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

b) Basis of preparation

i) Historical cost convention:

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

- a) Certain financial assets and liabilities : measured at fair value
- b) Defined benefit plans : plan assets measured at fair value

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

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

iv) Recent accounting pronouncements :

New and amended Ind ASs effective from April 01, 2024

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. For the year ended on March 31, 2025, the MCA has notified Ind AS 117 Insurance Contracts and amendments to Ind AS 116 Leases, related to sale and leaseback transactions, applicable to the Company effective from April 01, 2024. The Company has evaluated the new pronouncements | amendments and there is no material impact on its Financial Statements.

New and revised Ind ASs in issue but not yet effective

The Ministry of Corporate Affairs (MCA) notifies new standards or amendments to the existing standards. There is no such notification which will be applicable from April 01, 2025

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.

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

d) Revenue recognition

i) Revenue from operations

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

Revenue is measured based on the consideration to which the Company expects to be entitled as per contract with a customer. The consideration is determined based on the transaction price specified in the contract, net of the estimated variable consideration. Accumulated experience is used to estimate and provide for the variable consideration, using the expected value method and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. Contracts with customers are for short-term, at an agreed price basis having contracted credit period ranging up to 180 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 services 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.

Insurance claims are accounted for on the basis of claims admitted and to the extent that there is no uncertainty in receiving the claims.

e) Income tax

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

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

Deferred 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) Leases

As a lessee

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

At the commencement date of the lease, the Company recognises a right-of-use asset and a corresponding lease liability for all the lease arrangements in which it is lessee, except for short-term leases (leases with a term of 12 months or less), leases of low value asset and, for contract where the lessee and lessor has the right to terminate a lease without permission from the other party with no more than an insignificant penalty. The lease expense of such short-term leases, low value assets leases and cancellable leases, are recognised as an operating expense on a straight-line basis over the term of the lease.

At the 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.

Atul Products Ltd

Notes to the Financial Statements



g) Property, plant and equipment

All items of Property, plant and equipment (PPE) 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.

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

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 life.

Depreciation is computed on pro-rata basis using the straight-line method from the month of acquisition | installation until the last completed month before the assets are sold or disposed of.

Estimated useful lives of the assets are as follows :

Asset category	Estimated useful life
Buildings	30 years
Plant and equipment ¹	6 to 25 years
Vehicles	6 to 10 years
Office equipment and furniture	3 to 10 years
Roads	5 years

¹The useful lives have been determined based on technical evaluation done by the Management | experts, which are different from the useful life prescribed in Part C of Schedule II to the Act, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset. The residual values, useful lives and method of depreciation of property, plant and equipment are reviewed annually and adjusted prospectively, if appropriate.

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

h) Capital work-in-progress

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

i) Intangible assets

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

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

j) Impairment

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

k) Cash and cash equivalents

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

l) Statement of cash flows

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

m) Trade receivables

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

n) Trade and other payables

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

o) Inventories

Inventories are stated at cost and net realisable value, whichever is lower. Cost is determined on periodic moving weighted average basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to effect the sale.

Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventory to the present location and condition. Due allowances are made for slow | non-moving, defective and obsolete inventories based on estimates made by the Company. Items such as spare parts, stand-by equipment and servicing equipment that are not plant and machinery get classified as inventory.

p) Investments and other financial assets

Classification and measurement:

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

- i) those to be measured subsequently at fair value through profit or loss

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

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income.

q) 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 it expires.

r) Offsetting financial instruments

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

s) Borrowings

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

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

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

t) Borrowing costs

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

u) Provisions and contingent liabilities

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

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

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

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

v) Employee benefits

i) Defined Benefit plan

a) Gratuity

Gratuity liability is a defined benefit obligation and is computed on the basis of actuarial valuation by an actuary appointed for the purpose as per projected unit credit method at the end of each financial year. The liability or assets 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, represented by creation of separate fund and is used to meet the liability as and when it become due for payment in future. Any shortfall in the value of assets over the defined benefit obligation is recognised as a liability with a corresponding charge to the statement of Profit and loss.

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

ii) Defined contribution plan

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

iii) 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.

iv) Other long-term employee benefits

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

w) Earnings per share

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

For the purpose of calculating diluted EPS, the net profit or loss 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.

x) **Ordinary shares**

Ordinary shares are classified as equity share capital. Incremental costs directly attributable to the issuance of Ordinary shares are recognised as a deduction from equity, net of any tax effects.

Critical estimates and judgements

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

The areas involving critical estimates or judgements are:

- i) Estimation for income tax: Note 1(e)
- ii) Estimation of useful life of Property, plant & equipment: Note 1(g)
- iii) Estimation of Provision for inventories: Note 1(o)
- iv) Estimation of credit losses on trade receivables: Note 1(m)
- v) Fair value measurements: Note 25.04
- vi) Estimation of defined benefit obligations : Note 1(v)
- vii) Impairment : Note 1(j)

Atul Products Ltd

Notes to the Financial Statements



		(₹ lakhs)
Note 2.1 Intangible Assets		Computer Software
Gross carrying amount		
As at April 01, 2023		-
Additions		35.70
As at March 31, 2024		35.70
Additions		2.16
As at March 31, 2025		37.86
Depreciation Amortisation		
As at April 01, 2023		-
For the year		10.69
As at March 31, 2024		10.69
For the Year		12.38
As at March 31, 2025		23.07
Net carrying amount		
As at March 31, 2024		25.01
As at March 31, 2025		14.79

		As at March 31, 2025		As at March 31, 2024		(₹ lakhs)
Note 3 Other financial assets		Non-current	Current	Non-current	Current	
a)	Security deposits for utilities and premises	265.47	-	236.30	-	
b)	Other receivables (including insurance claim receivable)	-	507.46	-	1.99	
		265.47	507.46	236.30	1.99	

		As at March 31, 2025		As at March 31, 2024		(₹ lakhs)
Note 4 Other assets		Non-current	Current	Non-current	Current	
a)	Prepaid expenses	1.98	138.29	2.77	83.74	
b)	GST receivable	5,664.85	3,751.86	8,036.44	4,587.52	
c)	Capital advances	15.47	-	92.86	-	
d)	Other advances	-	63.70	-	37.31	
		5,682.30	3,953.85	8,132.07	4,708.57	

		As at March 31, 2025		As at March 31, 2024		(₹ lakhs)
Note 5 Inventories						
a)	Raw materials and packing materials		409.02		522.01	
b)	Finished goods and work-in-progress		109.42		177.44	
c)	Stores, spares and fuel		1,637.39		405.98	
d)	Stock-in-trade		12.39		-	
			2,168.22		1,105.43	

Notes :

- Measured at the lower of cost and net realisable value
- Refer note 11 (d) for information on inventories have been offered as security against the working capital facilities provided by the bank

		As at March 31, 2025		As at March 31, 2024		(₹ lakhs)
Note 6 Investments						
	Unquoted					
a)	Investment in mutual funds measured at FVTPL		2,844.01		291.21	
			2,844.01		291.21	

		As at March 31, 2025		As at March 31, 2024		(₹ lakhs)
Note 7 Trade receivables						
Undisputed trade receivables considered good - unsecured						
a)	Related parties (refer Note 25.02)		2,557.90		783.13	
b)	Others		1,344.71		1,159.72	
			3,902.61		1,942.85	

Notes :

- Refer note 11 (d) for information on trade receivables have been offered as security against the working capital facilities provided by the bank
- Allowance for doubtful debts recognised | written back (including expected credit loss) in the statement of Profit and Loss of ₹ Nil (March 31, 2024 : ₹ Nil)

Atul Products Ltd

Notes to the Financial Statements



Trade receivables ageing

(₹ lakhs)

No.	Particulars	As at March 31, 2025					
		Outstanding for following period from due date					
		Not due	Less than 6 Months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years
1.	Undisputed trade receivables; considered good	1,746.94	2,136.48	19.19	-	-	-
	Allowance for doubtful debts*	-	-	-	-	-	-
	Total	1,746.94	2,136.48	19.19	-	-	-

*Allowance for doubtful debts include expected credit loss provision

(₹ lakhs)

No.	Particulars	As at March 31, 2024					
		Outstanding for following period from due date					
		Not due	Less than 6 Months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years
1.	Undisputed trade receivables; considered good	1,787.38	155.47	-	-	-	-
	Allowance for doubtful debts*	-	-	-	-	-	-
	Total	1,787.38	155.47	-	-	-	-

*Allowance for doubtful debts include expected credit loss provision

(₹ lakhs)

Note 8 Cash and cash equivalents		As at March 31, 2025	As at March 31, 2024
a)	Balances with banks in current accounts	66.83	172.94
		66.83	172.94

Note 9 Equity share capital		As at March 31, 2025		As at March 31, 2024	
		Number of shares	₹ lakhs	Number of shares	₹ lakhs
a)	Authorised				
	Equity shares of ₹ 10 each	50,00,000	500.00	50,00,000	500.00
		50,00,000	500.00	50,00,000	500.00
b)	Issued				
	Equity shares of ₹ 10 each	50,00,000	500.00	50,00,000	500.00
		50,00,000	500.00	50,00,000	500.00
c)	Subscribed				
	Equity shares of ₹ 10 each, fully paid	50,00,000	500.00	50,00,000	500.00
		50,00,000	500.00	50,00,000	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, if any. 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, 2025		As at March 31, 2024	
		Holding %	Number of shares	Holding %	Number of shares
1	Atul Ltd (Holding Company)	99.9999%	49,99,994	99.9999%	49,99,994

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

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number of shares	₹ lakhs	Number of shares	₹ lakhs
Balance as at the beginning of the year	50,00,000	500.00	50,00,000	500.00
Add: Issue of equity shares	-	-	-	-
Balance as at the end of the year	50,00,000	500.00	50,00,000	500.00

Atul Products Ltd

Notes to the Financial Statements



d) Shareholding of promoters

No.	Promoter name	As at March 31, 2025			As at March 31, 2024		
		Number of shares	% of total shares	% Change during the year	Number of shares	% of total shares	% Change during the year
1.	Atul Ltd	49,99,994	99.9999%	0.00%	49,99,994	99.9999%	0.00%
2.	Atul Ayurveda Ltd	1	0.0000%	0.00%	1	0.0000%	0.00%
3.	Atul Consumer Products Ltd	1	0.0000%	0.00%	1	0.0000%	0.00%
4.	Atul Clean Energy Ltd	1	0.0000%	0.00%	1	0.0000%	0.00%
5.	Atul Entertainment Ltd	1	0.0000%	0.00%	1	0.0000%	0.00%
6.	Osia Infrastructure Ltd	1	0.0000%	0.00%	1	0.0000%	0.00%
7.	Atul Crop Care Ltd	1	0.0000%	0.00%	1	0.0000%	0.00%

(₹ lakhs)

Note 10 Other equity		As at March 31, 2025	As at March 31, 2024
Summary of other equity balance			
a) Retained earnings		(6,543.86)	(3,713.73)
b) Other reserves			
i) Equity component of non-cumulative redeemable preference shares		49,897.26	49,037.19
Balance as at the end of the year		43,353.40	45,323.46

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

Nature and purpose of reserves

- a) Retained earnings
Retained earnings are the profits that the Company has earned till date, less, any transfers to general reserve, any transfers from or to other comprehensive income, dividends or other distributions paid to shareholders.
- b) Other reserves
The Company has issued 9.5% non cumulative redeemable preference shares of ₹ 84,121.85 lakhs to Atul Ltd (Holding company). These financial liabilities are measured at amortised cost and the initial fair value difference is recognised as equity component of non -cumulative redeemable preference shares.

(₹ lakhs)

Note 11 Borrowings		As at March 31, 2025		As at March 31, 2024	
		Non-current	Current	Non-current	Current
a) 9.5% non-cumulative redeemable preference shares		38,057.44	-	34,181.67	-
b) Secured loan from financial institutions					
i) Secured loan from HDFC Bank (refer Note a)		5,614.17	-	5,670.88	-
ii) Secured loan from Federal Bank (refer Note a)		9,507.35	-	9,507.35	-
Amount of current maturities of long-term debt disclosed under the head 'current borrowing'		(420.13)	420.13	(56.71)	56.71
		52,758.83	420.13	49,303.19	56.71

Notes :

- a) Security details:
Term loans from banks March 31, 2025: ₹ 15,121.52 lakhs, (March 31, 2024: ₹ 15,178.23 lakhs) is secured by the whole immovable and movable properties including machinery, machinery spares, tools and accessories, inventory and other movable assets to the extent of bank limit.
- b) Terms | Rights Attached to preference shares
The Company has only one class of 9.5% 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 as per below repayment schedule.

(₹ lakhs)

Particulars	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37
9.5% non-cumulative redeemable preference shares of ₹ 10 Per each	16,534.37	16,824.37	16,824.37	16,824.37	16,824.37	290.00

c) Preference share capital

(₹ lakhs)

Details of Preference share capital:		As at March 31, 2025	As at March 31, 2024
Authorised			
93,02,70,000 9.5% non-cumulative redeemable preference shares of ₹10 each		93,027.00	93,027.00
Issued, subscribed and paid -up			
84,12,18,500 (March 31, 2024 : 82,67,18,500) 9.5% non-cumulative redeemable preference shares of ₹10 each		84,121.85	82,671.85

- d) The carrying amount of assets hypothecated | mortgaged as security for borrowing limits are:

(₹ lakhs)

Particulars		As at March 31, 2025	As at March 31, 2024
i) Property, plant and equipment		82,352.77	84,139.90
ii) Capital work-in-progress		490.48	3,447.81
iii) Trade receivables		3,902.61	1,942.85

Atul Products Ltd

Notes to the Financial Statements



iv)	Cash and cash equivalents	66.83	172.94
v)	Other current financial assets	507.46	1.99
vi)	Other current assets	6,797.86	4,999.78
vii)	Inventories	2,168.22	1,105.43
Total assets as security		96,286.23	95,810.70

Atul Products Ltd

Notes to the Financial Statements



Note 12 Provisions		As at		As at	
		March 31, 2025		March 31, 2024	
		Non-current	Current	Non-current	Current
a)	Provision for compensated absences	29.84	2.45	9.84	1.26
		29.84	2.45	9.84	1.26

(₹ lakhs)

a) Information about individual provisions and significant estimates

i) Compensated absences:

The Compensated absences cover the liability for earned leave. Out of the total amount disclosed above, the amount of ₹ 2.45 lakhs (March 31, 2024 : 1.26 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.

Note 13 Trade payables		As at	As at
		March 31, 2025	March 31, 2024
a)	Total outstanding dues of micro-enterprises and small enterprises (refer Note 25.09)	289.12	42.32
b)	Total outstanding dues of creditors other than micro-enterprises and small enterprises		
	- Related parties (refer Note 25.02)	510.00	526.92
	- others	1,243.42	961.86
		2,042.54	1,531.10

(₹ lakhs)

Trade payables ageing		As at						
		March 31, 2025						
		Outstanding for following periods from due date of payment						
No.	Particulars	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
1.	MSME	1.82	287.30	-	-	-	-	289.12
2.	Others	448.11	661.22	641.55	2.54	-	-	1,753.42
3.	Disputed dues – MSME	-	-	-	-	-	-	-
4.	Disputed dues – Others	-	-	-	-	-	-	-
	Total	449.93	948.52	641.55	2.54	-	-	2,042.54

(₹ lakhs)

		As at						
		March 31, 2024						
		Outstanding for following periods from due date of payment						
No.	Particulars	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
1.	MSME	-	42.32	0.00	-	-	-	42.32
2.	Others	319.68	759.70	409.40	-	-	-	1,488.78
3.	Disputed dues – MSME	-	-	-	-	-	-	-
4.	Disputed dues – Others	-	-	-	-	-	-	-
	Total	319.68	802.02	409.40	-	-	-	1,531.10

(₹ lakhs)

Note 14 Other financial liabilities		As at		As at	
		March 31, 2025		March 31, 2024	
		Non-current	Current	Non-current	Current
a)	Employee benefits payable	-	96.10	-	73.58
b)	Security deposits	-	17.87	-	0.51
c)	Interest accrued, but not due	-	0.60	-	-
d)	Creditor for capital goods of micro-enterprises and small enterprises (refer Note 25.09)	-	452.69	-	2,040.56
e)	Creditor for capital goods other than micro-enterprises and small enterprises	-	-	-	-
	i) Related parties (refer Note 25.02)	-	3.13	-	449.76
	ii) Others	-	2,361.98	-	4,050.57
		-	2,932.37	-	6,614.98

(₹ lakhs)

Note 15 Contract liabilities		As at	As at
		March 31, 2025	March 31, 2024
a)	Advances received from customers	176.06	809.90
		176.06	809.90

(₹ lakhs)

Note 16 Other current liabilities		As at	As at
		March 31, 2025	March 31, 2024
a)	Statutory dues	54.42	55.22
b)	Others	-	0.27
		54.42	55.49

(₹ lakhs)

Atul Products Ltd



Notes to the Financial Statements

	(₹ lakhs)	
Note 17 Revenue from operations	2024-25	2023-24
Sale of products		
Sale of chemicals	21,205.25	5,334.94
Sale of steam Utilities	14,003.04	1,146.53
Revenue from contracts with customers	35,208.29	6,481.47
Other operating revenue:		
Sale of services	46.48	-
Scrap sales Other revenue	34.74	3.93
	35,289.51	6,485.40

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

	(₹ lakhs)	
Particulars	2024-25	2023-24
Contract price	38,931.68	7,235.43
Adjustments for:		
Consideration payable to customers - discounts ¹	(3,723.39)	(753.96)
Revenue from contract with customers	35,208.29	6,481.47

¹Consideration payable to customers like discounts 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	2024-25	2023-24
Interest Income		
Interest income from financial assets measured at amortised cost	18.14	20.01
Interest from others	0.20	0.47
	18.34	20.48
Other Non-operating income		
Income from investments in mutual funds measured at FVTPL	47.94	1.23
Net Exchange rate difference gain (loss)	-	44.77
Miscellaneous income	4.02	0.41
	51.96	46.41
	70.30	66.89

	(₹ lakhs)	
Note 19 Cost of materials consumed	2024-25	2023-24
Raw materials and packing materials consumed		
Stocks at commencement	522.01	-
Add : Purchase	4,577.95	999.80
	5,099.96	999.80
Less : Stocks at close	409.02	522.01
	4,690.94	477.79

Atul Products Ltd

Notes to the Financial Statements



(₹ lakhs)

Note 20 Changes in inventories of finished goods, work-in-progress and stock-in-trade	2024-25	2023-24
Stocks at close		
Finished goods and work-in-progress	109.42	177.44
Stock-in-trade	12.39	-
	121.81	177.44
Less : Stocks at commencement		
Finished goods and work-in-progress	177.44	-
Stock-in-trade	-	-
	177.44	-
(Increase) Decrease in stocks	55.63	(177.44)

(₹ lakhs)

Note 21 Power, fuel and water	2024-25	2023-24
Power, fuel and water	17,439.91	4,602.84
	17,439.91	4,602.84

(₹ lakhs)

Note 22 Employee benefit expenses	2024-25	2023-24
Salaries, wages and bonus	643.37	193.66
Contribution (net) to provident and other funds (refer Note 25.1)	32.13	13.89
Staff welfare	13.62	2.24
	689.12	209.79

(₹ lakhs)

Note 23 Finance costs	2024-25	2023-24
Interest on borrowings - secured loan	1,154.99	1,266.18
Interest on others	3,302.84	551.11
Other borrowing costs		
- Corporate guarantee charges	75.89	54.78
	4,533.72	1,872.07

	(₹ lakhs)	
	2024-25	2023-24
Note 24 Other expenses		
Plant operation charges	10.80	5.86
Freight and cartage	474.63	87.48
Effluent treatment expenses	30.33	48.28
Business auxiliary services	512.26	112.37
Legal and professional expenses	60.67	16.54
Consumption of stores & spares	119.19	24.39
Plant and equipment repairs	821.19	20.42
Building repairs	74.30	-
Sundry repairs	101.08	6.38
Rent	23.93	0.01
Rates and taxes	75.09	5.44
Insurance	176.03	34.46
Travelling and conveyance	0.45	-
Remuneration to the Statutory Auditors		
a) Audit fees	8.25	4.50
b) Tax audit fees	1.00	-
c) Out of pocket expenses	0.11	0.27
Loss on assets sold or discarded (net)	23.68	-
Exchange rate difference - loss (net)	3.10	-
Miscellaneous expenses	44.04	10.08
	2,560.13	376.48

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Note 25.01 Commitments and contingent liabilities

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, 2025	As at March 31, 2024
Estimated amount of contracts remaining to be executed and not provided for (net of advances):		
For purchase of property, plant and equipment	653.50	2,185.38

Contingent liabilities

The Company does not have any contingent liability or disputable claims as at March 31, 2025 and March 31, 2024.

Corporate guarantees

The Company has not provided any corporate guarantees or any security as at March 31, 2025 as well as March 31, 2024 for loans or any other financial aid obtained by its holding company, any group entities or by any other person.

Note 25.02 Related party disclosures

Note 25.02 (A) Related party information

Name of the related party and nature of relationship

No.	Name of the related party	Description of relationship
01.	Atul Ltd	Holding company
02.	Aaranyak Umi Ltd	Subsidiary of Holding company
03.	Aasthan Dates Ltd	Subsidiary of Holding company
04.	Amal Ltd	Subsidiary of Holding company
05.	Amal Speciality Chemicals Ltd	Subsidiary of Holding company
06.	Atul Aarogya Ltd	Subsidiary of Holding company
07.	Atul Adhesives Pvt Ltd (Formerly known as Anchor Adhesives Pvt Ltd)	Subsidiary of Holding company
08.	Atul Ayurveda Ltd	Subsidiary of Holding company
09.	Atul Bioscience Ltd	Subsidiary of Holding company
10.	Atul Biospace Ltd	Subsidiary of Holding company
11.	Atul Brasil Quimicos Limitada	Subsidiary of Holding company
12.	Atul China Ltd	Subsidiary of Holding company
13.	Atul Clean Energy Ltd	Subsidiary of Holding company
14.	Atul Consumer Products Ltd	Subsidiary of Holding company
15.	Atul Crop Care Ltd	Subsidiary of Holding company
16.	Atul Deutschland GmbH	Subsidiary of Holding company
17.	Atul Entertainment Ltd	Subsidiary of Holding company
18.	Atul Europe Ltd	Subsidiary of Holding company
19.	Atul Finserv Ltd	Subsidiary of Holding company
20.	Atul Fin Resources Ltd	Subsidiary of Holding company
21.	Atul Healthcare Ltd	Subsidiary of Holding company
22.	Atul Consumer Products Ltd	Subsidiary of Holding company
23.	Atul Hospitality Ltd	Subsidiary of Holding company
24.	Atul Infotech Pvt Ltd	Subsidiary of Holding company
25.	Atul Ireland Ltd	Subsidiary of Holding company
26.	Atul Lifescience Ltd	Subsidiary of Holding company
27.	Atul Middle East FZ-LLC	Subsidiary of Holding company
28.	Atul Natural Dyes Ltd	Subsidiary of Holding company
29.	Atul Natural Foods Ltd	Subsidiary of Holding company
30.	Atul Nivesh Ltd	Subsidiary of Holding company
31.	Atul Paints Ltd	Subsidiary of Holding company
32.	Atul Polymers Products Ltd	Subsidiary of Holding company
33.	Atul Rajasthan Date Palms Ltd	Subsidiary of Holding company
34.	Atul Renewable Energy Ltd	Subsidiary of Holding company
35.	Atul (Retail) Brands Ltd	Subsidiary of Holding company
36.	Atul Seeds Ltd	Subsidiary of Holding company
37.	Atul USA Inc	Subsidiary of Holding company
38.	Biyaban Agri Ltd	Subsidiary of Holding company
39.	Date Palm Developers Ltd	Subsidiary of Holding company
40.	Jayati Infrastructure Ltd	Subsidiary of Holding company
41.	Osia Dairy Ltd	Subsidiary of Holding company
42.	Osia Infrastructure Ltd	Subsidiary of Holding company
43.	Raja Dates Ltd	Subsidiary of Holding company
44.	Sehat Food Ltd	Subsidiary of Holding company
45.	Rudolf Atul Chemicals Ltd	Joint Venture of Holding company
46.	Anaven LLP	Joint operation of Holding company
47.	Atul Foundation Health Centre	Entities over which Key Management Personnel of Holding Company or their Close family members have significant influence
Key management personnel		
01.	Lalit Patni	Non-executive Director
02.	Vivek Gadre	Non-executive Director

03.	Rajeev Kumar	Non-executive Director
04.	Bharatkumar Joshi	Non-executive Director
05.	Sudhakara Shetty	Whole time Director and Occupier

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(₹ lakhs)

Note 25.02 (B) Transactions with holding company		2024-25	2023-24
a)	Sales and income		
1.	Sale of goods	18,821.70	3,563.17
2.	Service charges received	46.48	-
3.	Sale of Assets	142.94	-
b)	Purchases and expenses		
1.	Purchase of goods and services	1,959.86	714.96
2.	Service charges	254.41	167.60
3.	Reimbursement of expenses	49.33	8.27
4.	Lease rent expense	30.51	29.85
5.	Purchase of assets	90.63	-
c)	Other transactions		
1.	Unsecured borrowings	-	950.00
2.	Unsecured borrowings repayment	-	9,973.15
3.	Conversion of Unsecured borrowings from holding company to 9.5% non -cumulative redeemable preference shares	-	67,021.85
4.	Investment in 9% cumulative redeemable preference shares	-	9,450.00
5.	Conversion of 9% cumulative redeemable preference shares to 9.5% non-cumulative redeemable preference shares	-	9,450.00
6.	Investment in 9.5 % non-cumulative redeemable preference shares by holding company	1,450.00	6,200.00
7.	Interest on unsecured borrowings	-	5,469.12

(₹ lakhs)

Note 25.02 (C) Transactions with subsidiary of holding company		2024-25	2023-24
a)	Purchases and expenses		
1.	Purchase of goods and services:	76.14	291.73
	Osia Infrastructure Ltd	42.75	257.68
	Atul Biospace Ltd	0.13	-
	Amal Speciality Chemicals Ltd	9.75	20.99
	Atul Infotech Pvt Ltd	23.51	13.06
b)	Sales and income		
1.	Sale of goods	72.05	-
	Atul Bioscience Limited	72.05	-

(₹ lakhs)

Note 25.02 (D) Transactions with joint venture of holding company		2024-25	2023-24
a)	Sales and income		
1.	Sale of goods	8.24	-
	Rudolf Atul Chemicals Limited	8.24	-

(₹ lakhs)

Note 25.02 (E) Transactions with joint operation of holding company		2024-25	2023-24
a)	Purchase and expenses		
1.	Purchase of goods and services:	0.03	-
	Anaven LLP	0.03	-

(₹ lakhs)

Note 25.02 (F) Transactions with entities over which key management personnel of Holding company or their close family members have significant influence		2024-25	2023-24
a)	Purchase and expenses		
1.	Purchase of goods and services:	9.00	-
	Atul Foundation Health Centre	9.00	-
2.	Reimbursement of expenses	0.37	-
	Atul Foundation Health Centre	0.37	-

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(₹ lakhs)

Note 25.02 (G) Outstanding balances as at year end		As at March 31, 2025	As at March 31, 2024
a) With holding company			
1	9.5% non-cumulative redeemable preference shares (face value)	84,121.85	82,671.85
2	Payables	503.99	419.49
3	Receivables	2,519.79	783.13
4	Advances received	-	269.82
5	Corporate guarantee	15,178.00	20,000.00
b) With subsidiary of holding company			
1	Payables:	9.50	29.15
	Osia Infrastructure Ltd	3.13	17.33
	Atul Bioscience Limited	0.02	-
	Amal Speciality Chemicals Ltd	-	9.02
	Atul Infotech Pvt Ltd	6.35	2.80
2	Receivables:	32.20	-
	Atul Bioscience Limited	32.20	-
c) With joint venture of holding company			
1	Receivables	2.76	-
	Rudolf Atul Chemicals Limited	2.76	-

Note 25.02 (H) Terms and conditions

- 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.
- All outstanding balances are unsecured and are repayable in cash and cash equivalent.

Note 25.03 Current and deferred tax

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

(₹ lakhs)

Particulars		2024-25	2023-24
i) Current tax			
	Current tax on profit for the year	-	0.09
	Adjustments for current tax of prior periods	(0.09)	-
	Total current tax expense	(0.09)	0.09
ii) Deferred tax			
	(Decrease) Increase in deferred tax liabilities	3,259.41	1,296.34
	Decrease (Increase) in deferred tax assets	3,715.04	1,830.49
	(Increase) Decrease in deferred tax assets recognised to the extent of deferred tax liabilities	3,259.41	1,296.34
	Total deferred tax expense (benefit)	-	-
	Income tax expense	(0.09)	0.09

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b) Income tax assets

(₹ lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	10.31	9.24
Add: Taxes paid in advance	39.72	12.92
Less: Refund received (net off interest)	15.36	11.76
Less: Current tax provision	(0.09)	0.09
Closing balance	34.76	10.31

Note 25.04 Fair value measurements

(₹ lakhs)

Particulars	As at March 31, 2025			As at March 31, 2024		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial assets						
Investments:						
Mutual funds	2,844.01	-	-	291.21	-	-
Trade receivables	-	-	3,902.61	-	-	1,942.85
Security deposits for utilities and premises	-	-	265.47	-	-	236.30
Other receivables	-	-	507.46	-	-	1.99
Cash and cash equivalents	-	-	66.83	-	-	172.94
Total financial assets	2,844.01	-	4,742.37	291.21	-	2,354.08
Financial liabilities						
Borrowings	-	-	53,178.96	-	-	49,359.90
Lease liabilities	-	-	164.90	-	-	179.60
Trade payables	-	-	2,042.54	-	-	1,531.10
Other financial liabilities	-	-	2,932.37	-	-	6,614.98
Total financial liabilities	-	-	58,318.77	-	-	57,685.58

Note 25.05 Financial 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. 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:

- Risk identification and definition: Focused on identifying relevant risks, creating | updating clear definitions to ensure undisputed understanding along with details of the underlying root causes | contributing factors.
- Risk classification: Focused on understanding the various impacts of risks and the level of influence on its root causes. This involves identifying various processes generating the root causes and clear understanding of risk interrelationships.
- Risk assessment and prioritisation: Focused on determining risk priority and risk ownership for critical risks. This involves assessment of the various impacts taking into consideration risk appetite and existing mitigation controls.
- Risk mitigation: Focused 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.
- Risk reporting and monitoring: Focused on providing to the Board periodic information on risk profile evolution and mitigation plans.

a) Management of liquidity risk

The principal sources of liquidity of the Company are cash and cash equivalents and investment in mutual funds, borrowings and the cash flow that is generated from operations. It believes that the current cash and cash equivalents, tied up borrowing lines and cash flow that are generated from operations are sufficient to meet the requirements. Accordingly, liquidity risk is perceived to be low.

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

(₹ lakhs)

As at March 31, 2025	Less than 1 year	More than 1 year	Total
Borrowings	420.13	52,758.83	53,178.96
Lease liabilities	15.39	148.91	164.90
Trade payables	2,042.54	-	2,042.54
Other financial liabilities	2,932.37	-	2,932.37

(₹ lakhs)

As at March 31, 2024	Less than 1 year	More than 1 year	Total
Borrowings	56.71	49,303.19	49,359.90
Lease liabilities	14.70	164.90	179.60
Trade payables	1,531.10	-	1,531.10
Other financial liabilities	6,614.98	-	6,614.98

b) Interest rate risk

The Company 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 interest rate risk, with respect to borrowings, the Company has calculated the impact of 25 bps change in variable interest rates. A 25 bps increase in variable interest rates would have led to approximately an additional ₹ 37.80 Lakhs (2023-24 : ₹ 37.95 Lakhs) expenses in the Statement of Profit and Loss. A 25 bps decrease in variable interest rate would have led to an equal but opposite effect.

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c) 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 exposure to trade | non-trade customers including outstanding receivables. Credit risk is managed through policy surrounding credit risk management.

- i) Credit risk management
Credit risk is managed through the policy surrounding Credit risk management.
- ii) Provision for expected credit losses

Trade receivables

Trade receivables consists of customers, for which ongoing credit evaluation is performed on the financial condition of the account receivables. Trade receivables are secured by insurance and based on historical experience of collecting receivables by the Company, credit risk is perceived to be low.

Note 25.06 Capital management

The primary objective of capital management is to maximise shareholder value, safeguard business continuity and support the growth of the company . The company monitors capital using debt-equity ratio, which is total debt divided by total equity.

For the purpose of capital management, the company considers the following components of its balance sheet to manage capital:

Total equity includes general reserve, retained earnings, other equity and share capital. Total debt includes current debt plus non-current debt.

Particulars	As at March 31, 2025	As at March 31, 2024
Total debt	53,178.96	49,359.90
Total equity	43,853.40	45,823.46
Debt-equity Ratio (%)	121%	108%

Note 25.07 Segment information

The Company operates in a single business segment that is manufacturing of bulk chemicals. There are no separate reportable segments as per Ind AS - 108 on ' Operating Segment ' and no further disclosures are required.

During the year, out of total sales, the Company has made sales to two customers to whom sales exceed 10% of the total revenue of the Company. The total revenue from these customers amounts to ₹ 18868.18 Lakhs (PY ₹ 4520.54 Lakhs).

Note 25.08 Earnings per share

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

Particulars		2024-25	2023-24
(Loss) for the year attributable to the equity shareholders	₹ lakhs	(2,823.80)	(3,235.47)
Weighted average number of equity shares outstanding during the year	Number	50,00,000	50,00,000
Nominal value of equity share	₹	10.00	10.00
Basic EPS	₹	(56.48)	(64.71)
Diluted EPS	₹	(56.48)	(64.71)

Note 25.09 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:

Particulars	As at March 31, 2025	As at March 31, 2024
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	741.81	2,082.88
The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006)	-	-
The amount of interest accrued and remaining unpaid at the end of accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act 2006	-	-

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, 2025. The auditors have relied upon in respect of this matter.

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Notes to the Financial Statements



Note 25.10 Employee benefit obligations

Funded schemes

a) Defined benefit plan Gratuity

The Company operates a defined benefit plan (the gratuity plan). Every employee is entitled to a benefit equivalent to the last drawn salary of 15 days for each completed year of service subject to maximum of ₹ 20 lakhs in line with the Payment of Gratuity Act, 1972 or Company scheme whichever is more beneficial. Gratuity is payable at the time of separation or retirement from the Company, whichever is earlier. The benefit vests after five years of continuous service.

(₹ lakhs)			
Particulars	Present value of obligation	Fair Value of Plan assets	Net amount
As at April 01, 2023	0.46	-	0.46
Current service cost	4.31	-	4.31
Past service cost	-	-	-
Interest expense (income)	0.03	-	0.03
Total amount recognised in profit and loss	4.34	-	4.34
Remeasurements			
Liability transferred In / Acquisitions	0.43	-	0.43
(Liability transferred Out)	-	-	-
Return on plan assets, excluding amount included in interest expense (income)	-	-	-
(Gain) Loss from change in demographic assumptions	(0.28)	-	(0.28)
(Gain) Loss from change in financial assumptions	0.38	-	0.38
Experience (gains) losses	0.47	-	0.47
Total amount recognised in other comprehensive income	0.56	-	0.56
Employer contributions	-	-	-
Benefit payments	-	-	-
As at March 31, 2024	5.80	-	5.80
Current service cost	7.77	-	7.77
Past service cost	-	-	-
Interest expense (income)	0.43	-	0.43
Total amount recognised in profit and loss	8.20	-	8.20
Remeasurements			
Liability transferred In / Acquisitions	2.93	-	2.93
(Liability transferred Out)	(0.14)	-	(0.14)
Return on plan assets, excluding amount included in interest expense (income)	-	(0.45)	(0.45)
(Gain) Loss from change in demographic assumptions	3.22	-	3.22
(Gain) Loss from change in financial assumptions	0.46	-	0.46
Experience (gains) losses	1.64	-	1.64
Total amount recognised in other comprehensive income	5.33	(0.45)	4.88
Employer contributions	-	14.91	14.91
Transfer in liability and assets	-	-	-
Benefit payments	-	-	-
As at March 31, 2025	22.12	(15.36)	6.76

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

(₹ lakhs)		
Particulars	As at March 31, 2025	As at March 31, 2024
Present value of funded obligations	22.12	5.80
Fair value of plan assets	15.36	-
Deficit of gratuity plan recognised as provision (refer Note 12)	6.76	5.80

Significant estimates: Actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
Mortality rate	Indian assured lives mortality (2012-14) Urban	Indian assured lives mortality (2012-14) Urban
Discount rate	6.71%	7.19%
Attrition rate	10.00%	14.00%
Salary escalation rate	10.07%	10.36%

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			
	As at March 31, 2025	As at March 31, 2024	Increase in assumptions		Decrease in assumptions	
			As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024