



The logo of Rudolf Atul Chemicals Ltd (RACL) signifies cooperation between two companies, one headquartered in Germany and the other in India. RACL is scripted in the same colour used by Rudolf GmbH in its logo and the two flowing pieces of fabrics are in the same colours used by Atul Ltd in its logo. The first two letters of the logo depict garnering the strengths of the two companies and the two pieces of fabrics which also resemble the wings of a bird flapping in unison, connote harmony between the two partners, all to serve customers with world-class products.

**Continuous improvement is better than delayed perfection.**

~ Mark Twain

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### Forward looking statements

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

# Corporate identity



Rudolf Atul Chemicals Ltd is a 50-50 joint venture company of Rudolf GmbH (Rudolf) and Atul Ltd (Atul), engaged in the manufacturing and marketing of textile chemicals in India. The Company is effectively leveraging the strengths of Rudolf and Atul in serving its customers by becoming a total solution provider and is thereby helping both partners to participate in the growing marketplace.

## About Rudolf

Rudolf is a world leader in textile chemistry. Founded over 100 years ago in Germany, the Company is a family-owned business now in its fourth generation. Dedicated to the success of its customers, driven by science and committed to environmental protection, it sees itself as an agent of positive change. The Company also operates in the construction, coating and car care sectors. It supplies customers reliably from 18 production sites across different regions.

## About Atul

Founded in 1947, Atul is a leading integrated chemical company in India with an annual revenue of about ₹ 5,600 cr. The Company manufactures about 900 products and 400 formulations. The production facilities of Atul and its associate, joint venture and subsidiary entities are at Ambernath, Ankleshwar, Jodhpur, Panoli, Tarapur and Valsad in India and Somerset in the UK. It has established subsidiary companies in Brazil, China, Ireland, the UAE, the UK and the USA to serve its customers better and enhance the breadth and depth of its business.



# Purpose

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



fostering a spirit of continuous learning and innovation



adopting developments in science and technology



providing high quality products and services, thus becoming the most preferred partner



having people who practice Values and exemplify a high standard of behaviour



seeking sustained, dynamic growth and securing long-term success



taking responsible care of the surrounding environment



improving the quality of life of the communities we operate in

# Values



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



## INTEGRITY

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



## UNDERSTANDING

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



## UNITY

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



## RESPONSIBILITY

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



## EXCELLENCE

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

## Board of Directors



Wolfgang Schumann



Tejas Shukla



Oliver Kusterle



Gopi Kannan Thirukonda



Sudhir Merchant



Sujal Shah

# Directors' Report



Dear Members,

The Board of Directors (Board) presents the annual report of Rudolf Atul Chemicals Ltd together with the audited Financial Statements for the year ended March 31, 2025.

## 01. Financial results

(₹ cr)

	2024-25	2023-24
Revenue from operations	166.50	139.26
Other income	1.48	1.09
Total revenue	167.98	140.35
Profit before tax	35.57	27.79
Provision for tax	9.17	8.57
Profit for the year	26.40	19.22
Balance in retained earnings at the beginning of the year	43.79	30.36
Transfer from comprehensive income	(0.03)	0.05
Disposable surplus	70.16	49.63
Dividend paid	(17.51)	(5.84)
Balance carried forward	52.65	43.79

## 02. Performance

Sales increased by 20% from ₹ 138.04 cr to ₹ 165.20 cr, primarily due to introduction of new products and increase in customer base. Major growth drivers are silicones, dyeing chemicals and pretreatment chemicals. Profit before tax increased by 28% from ₹ 27.79 cr to ₹ 35.57 cr. The earnings per share increased from ₹ 32.93 to ₹ 45.22. Cash flow from operating activities before working capital changes increased from ₹ 27.56 cr to ₹ 34.94 cr and the net cash flow from operating activities increased from ₹ 15.72 cr to ₹ 27.47 cr.

Additionally, the Company completed the registration of five products (total 117 products) with the Global Organic Textile Standard list for version 7.0, added 15 products (total 207 products) to the list of Zero Discharge of Hazardous Chemicals (ZDHC - Level 3). It also maintains its

operational standards with certifications like ISO 9001:2015 and ISO 14001:2015.

## 03. Dividend

The Board recommended payment of a dividend of ₹ 40 per share on 58,37,500 equity shares of ₹ 10 each fully paid-up for the year ended March 31, 2025. The dividend will entail an outflow of ₹ 23.35 cr on the paid-up equity share capital of ₹ 5.84 cr.

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

Information required under Section 134(3)(m) of the Companies Act, 2013, read with Rule 8(3) of the Companies (Accounts) Rules, 2014 as amended from time to time, forms part of this Report, which is given on page number 09.

## **05. Insurance**

The Company has taken adequate insurance for its current and fixed assets, employees and products against various relevant risks.

## **06. Risk management**

The Company has identified risks and has initiated a mitigation plan for the same.

## **07. Internal financial controls**

The Management assessed the effectiveness of the internal financial controls over financial reporting as at March 31, 2025, and the Board believes that the controls are adequate.

## **08. Fixed deposits**

The Company did not accept any deposits from public and as such no amount on account of principal or interest on deposits from public was outstanding as at March 31, 2025.

## **09. Loans, guarantees, investments and security**

Particulars of loans, guarantees, investments and security provided are given on page number 56.

## **10. Subsidiary, joint venture and associate company**

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

## **11. Related party transactions**

All the transactions entered into with the related parties were in the ordinary course of business and on an arm's length basis. Details of such transactions are given on page number 66. No transactions that required disclosure in Form AOC-2 were entered into by the Company.

## **12. Corporate social responsibility**

The composition of the Corporate Social Responsibility (CSR) Committee, the CSR Policy and the CSR Report are given on page number 10.

## **13. Annual return**

Annual return for 2024-25 is available on the website of the Company at <https://www.racl.co.in/investors/stakeholders-information/annual-reports/>

## **14. Auditors**

### **14.1 Statutory Auditors**

Deloitte Haskins & Sells LLP Chartered Accountants were appointed as the Statutory Auditors of the Company at the 18<sup>th</sup> Annual General Meeting (AGM) held on August 19, 2022, until the conclusion of the 23<sup>rd</sup> AGM.

The Auditor's Report for the financial year ended on March 31, 2025 does not contain any qualification, reservation or adverse remark. The report is enclosed with the financial statements in this annual report.

### **14.2 Cost Auditors**

The Company has maintained cost records as required under the Act. The members ratified the appointment of Tadhani & Co, as the Cost Auditors for 2024-25 on August 05, 2024.

## **15. Directors' responsibility statement**

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

15.1. In preparation for the annual accounts for the financial year ended on March 31, 2025, the applicable accounting standards have been followed and there are no material departures.

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

15.3. Proper and sufficient care was taken for the maintenance of adequate accounting records





in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

- 15.4. The attached annual accounts for the year ended on March 31, 2025, were prepared on a going concern basis.
- 15.5. Adequate internal financial controls to be followed by the Company were laid down and the same were adequate and operating effectively.
- 15.6. Proper systems were devised to ensure compliance with the provisions of all applicable laws and the same were adequate and operating effectively.

## 16. Directors

### 16.1 Appointments | Reappointments | Cessations

According to Article 88 of the Articles of Association of the Company, Dr Wolfgang Schumann and Mr Sujal Shah retire by rotation and being eligible offer themselves for reappointment at the forthcoming AGM.

### 16.2 Policy on appointment and remuneration

The Policy on appointment and remuneration is displayed on the website of the Company at [www.racl.co.in/investors/company-policies-2/](http://www.racl.co.in/investors/company-policies-2/). The salient features of the Policy are as under:

#### 16.2.1 Appointment

While recommending the appointment of the Directors, the Nomination and Remuneration Committee considers the following factors:

- a) Qualification: well-educated and experienced in senior leadership positions in industry | profession
- b) Trait: positive attributes and qualities
- c) Independence: criteria prescribed in Section 149(6) of the Companies Act, 2013, for the Independent Directors, including no pecuniary interest and conflict of interest

#### 16.2.2 Remuneration of the Non-executive Directors

- a) Sitting fees: up to ₹ 30,000 for attending a Board, Committee and any other meeting

- b) Commission: up to 1% of net profit as may be decided by the Board based on i) Membership of committee(s), ii) Profit, iii) Attendance, and iv) Category (Independent or Non-executive).

#### 16.2.3 Remuneration of the Managing Director

This is given under para number 17.2.

## 17. Key Managerial Personnel and other employees

### 17.1 Appointments and cessations of Key Managerial Personnel

There were no appointments | cessations of the Key Managerial Personnel during 2024-25.

### 17.2 Remuneration

The Remuneration Policy of the key managerial personnel and other employees consists of the following:

#### 17.2.1 Components:

- a) Fixed pay
  - i) Basic salary
  - ii) Allowances
  - iii) Perquisites
  - iv) Retirals
- b) Variable pay

#### 17.2.2 Factors for determining and changing fixed pay:

- a) Existing compensation
- b) Education
- c) Experience
- d) Salary bands
- e) Performance
- f) Market benchmark

#### 17.2.3 Factors for determining and changing variable pay:

- a) Company performance
- b) Business performance
- c) Individual performance
- d) Work level

## **18. Analysis of remuneration**

No employee falls in the criteria provided in Sections 134(3)(q) and Section 197(12) of the Companies Act, 2013, read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Thus, the disclosure of the information in respect thereof is not applicable.

## **19. Management Discussion and Analysis**

The Management Discussion and Analysis covering the performance of the Company is given on page number 13.

## **20. Corporate Governance Report**

### **20.1 Report**

The Corporate Governance Report is given on page number 15. Details about the number of meetings of the Board held during 2024-25, are given on page number 18. The composition of the Audit Committee is given on page number 20. All the recommendations given by the Audit Committee were accepted by the Board.

### **20.2 Secretarial standards**

Secretarial standards as applicable to the Company were followed and complied with during 2024-25.

### **20.3 Prevention, prohibition and redressal of sexual harassment**

Details required under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules thereunder are given on page number 22.

## **21. Acknowledgements**

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

For and on behalf of the Board of Directors

(Wolfgang Schumann)

**Chairman**

Atul

April 22, 2025

DIN: 01995827

# Annexure to the Directors' Report



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

### 1.1 Energy conservation

#### 1.1.1 Measures taken:

No major steps were taken during the year.

#### 1.1.2 Additional investments and proposals being implemented: nil

### 1.2 Technology absorption

No major steps were taken during the year.

### 1.3 Foreign exchange earnings and outgo

(₹ cr)

Particulars	2024-25	2023-24
<b>Earnings</b>		
Commission income	0.92	1.00
<b>Outgo</b>		
Import of raw materials	29.48	19.77

## 2. Corporate social responsibility

### 2.1 A brief outline of CSR Policy, programs and scope of the Company

#### 2.1.1 Policy

The Company will help enhance the quality of life of people belonging to the marginalised sections of society and volunteer its resources to the extent it can reasonably afford to Atul Foundation Trust (Atul Foundation) and (or) other entities under its umbrella. Atul Foundation will particularly undertake projects in and around the locations where the Company operates.

#### 2.1.2 Programs and scope

Atul Foundation will take up projects and | or carry out activities under under six broad programs: a) Education b) Empowerment, c) Health, d) Relief, e) Infrastructure and f) Conservation with the varied scope of work.

- a) Education
  - i) Establish and | or support educational institutions
  - ii) Enhance education in rural areas
  - iii) Support needy and | or meritorious students
- b) Empowerment
  - i) Establish and | or support vocational training and institutions
  - ii) Promote sustainable livelihood opportunities for women | youth
  - iii) Promote integrated development of rural | tribal areas
- c) Health
  - i) Establish and | or improve medical care centres
  - ii) Promote health, nutrition, hygiene and sanitation
  - iii) Promote sports and fitness
- d) Relief
  - i) Eradicate hunger and malnutrition
  - ii) Support deserving | needy people
  - iii) Support during natural calamities
- e) Infrastructure
  - i) Develop and | or improve rural infrastructure
  - ii) Develop and | or improve rural amenities
  - iii) Develop and | or improve child-friendly infrastructure
- f) Conservation
  - i) Conserve natural resources
  - ii) Protect environment | flora and fauna
  - iii) Protect and | or promote art and culture



## 2.2 Composition of the CSR Committee:

No.	Name of Directors	Designation   Nature of Directorship	Meetings entitled	Meetings attended
1.	Gopi Kannan Thirukonda	Chairman   Non-executive Director	1	1
2.	Wolfgang Schumann	Member   Non-executive Director	1	1
3.	Sudhir Merchant	Member   Non-executive Director	1	1

## 2.3 Details of URL for disclosure of the composition of the CSR Committee, CSR Policy and CSR projects on the website of the Company:

[www.racl.co.in/investors/company-policies-2](http://www.racl.co.in/investors/company-policies-2)

## 2.4 Impact assessment:

Not applicable

## 2.5 CSR obligation:

(₹ lakh)

a)	Average net profit of the Company as per Section 135(5)	2035.29
b)	2% of the average net profit of the Company as per Section 135(5)	41.00
c)	Surplus arising out of the CSR projects or programs or activities of the previous financial years	Nil
d)	Amount required to be set-off for the financial year	Nil
	Total CSR obligation for the financial year [b) + c) - d)]	41.00

## 2.6 CSR amount spent:

(₹ lakh)

a)	Details of the amount spent (ongoing projects and other than ongoing projects for the financial year:	41.00
b)	Amount spent on administrative overheads:	Nil
c)	Amount spent on impact assessment:	Nil
d)	Total amount spent for the financial year [a) + b) + c)]:	41.00

## e) CSR amount spent or unspent for the financial year:

(₹ lakh)

Total amount spent for the financial year	Amount unspent				
	Total amount transferred to the Unspent CSR Account under Section 135(6)		Amount transferred to any fund specified under Schedule VII as per the second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the fund	Amount	Date of transfer
41.00	-	-	-	-	-



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

(₹ lakh)

No.	Particular	Amount
(i)	2% of the average net profit of the Company as per Section 135(5)	41.00
(ii)	Total amount spent for the financial year	41.00
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programs or activities of the previous financial years	Nil
(v)	Amount available for set-off in succeeding financial years [(iii)-(iv)]	Nil

2.7 Details of unspent CSR amount for the preceding three financial years:

(₹ lakh)

No.	Preceding financial year	Amount transferred to the Unspent CSR Account under Section 135 (6)	Amount in Unspent CSR Account under Section 135(6)	Amount spent in the financial year	Amount transferred to any fund specified under Schedule VII as per Section 135(5), if any		Amount remaining to be spent in succeeding financial years	Deficiency, if any
					Amount	Date of transfer		
	-	-	-	-	-	-	-	-

2.8 Whether any capital assets have been created or acquired through CSR spending in the financial year?

No.

Details relating to the asset(s) created or acquired through CSR spending in the financial year:

No.	Short particulars of the property   asset(s) including complete address and location of the property	Pincode of the property   asset(s)	Date of creation	Amount of CSR amount spend	Details of entity   authority   the beneficiary of the registered owner		
					CSR registration number, if applicable	Name	Registered address
	-	-	-	-	-	-	-

2.9 Reasons if the Company has failed to spend two percent of the average net profit as per Section 135(5):  
Not applicable

Chairman of CSR Committee	Managing Director
Gopi Kannan Thirukonda DIN: 00048645	Tejas Shukla DIN: 10309971

# Management Discussion and Analysis



Rudolf Atul Chemicals Ltd (RACL) is into manufacturing and marketing of specialty chemicals for the Textile industry in India. RACL offers a complete range of products for pretreatment, dyeing and finishing processes of apparels, home furnishings and technical textiles. The Company has achieved a CAGR of 15% in the last five years and aims to become one of the leading suppliers in India.

During 2024-25, sales increased by 20% over the previous year to ₹ 165 cr. Major growth drivers were pretreatment chemicals, dyeing chemicals and silicones used in textile wet processing. Sales of effect chemicals (EC) segment increased by 30% due to customised silicone product offerings for key markets. Sales of process chemicals (PC) segment increased by 14%, primarily due to the addition of new customers for pretreatment chemicals, the introduction of printing auxiliaries in various markets and increased demand

for dyeing chemicals. Improved performance in both segments contributed to higher sales revenue.

The Company offers customised solutions to its customers and aims to establish a distinct position in sustainable innovation. It will continue to focus on the use of bio-based raw materials and energy-saving concepts. It expects increased demand for: i) specialty chemicals for synthetic textiles used in apparel and home textile applications, ii) perfluorocarbon-free repellents and iii) silicones for enhanced performance in the home and knit segments. Plans are in place to develop a complete processing package for the synthetic segment, introduce denim solutions using sulphur dyes and launch lubricants for sewing threads. The rising demand for continuous bleaching range chemicals for knit and woven fabrics is also expected to support growth in process chemicals sales.

Disruptions in the textile industry across key global hubs have created greater opportunities for the Indian textile sector. The China Plus One policy has led to an increase in orders being placed in India. However, demand fluctuations have been observed due to geopolitical tensions in the European Union and inflationary pressures in the United States. Domestic market demand is expected to grow at a steady pace, with the Indian textile industry projected to reach US\$ 350 billion by 2030. The Indian textile chemicals industry is currently valued at approximately US\$ 320 million and is growing at a CAGR of around 6%. The Company aims to expand its market share in the domestic segment by: i) introducing new products, ii) offering innovative concepts, and iii) providing strong technical support.

Fluctuations in cotton prices, volatility in key raw material costs, the direct entry of major raw material suppliers—particularly from China—and the potential impact of US tariffs, once finalised, may affect sales. Demand from end-user countries may also influence the order situation for our customers.

### **Internal control systems**

Internal control systems of the Company are commensurate with the nature of its business and the size and complexity of its operations. The established systems provide reasonable assurance on the effectiveness and efficiency of its operations, reliability of financial reporting and compliance with the applicable laws and regulations. These are routinely tested, certified and upgraded whenever required by the Statutory as well as the Internal Auditors covering all key business areas. Significant audit observations and follow-up actions and recommendations thereon are reported to the Senior Management and the Audit Committee for their review.

### **Human Resources**

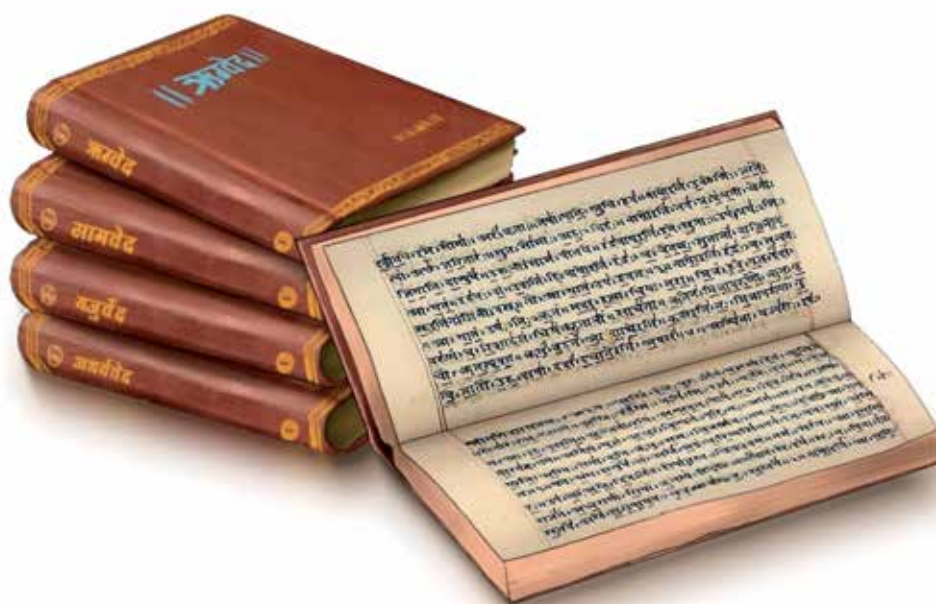
The Company leverages continuous learning and build strong capabilities to align with the pace of evolution and expansion of the business. It emphasises on use of technology in HR processes with parallel creative initiatives to keep enhancing people engagement. Employee relations remained cordial.

# Corporate Governance Report



Nothing is impossible when there is harmony between the mind,  
heart and resolution.

~ Rig Veda



## 1. Philosophy

Transparency and accountability are the two basic tenets of corporate governance. The Company is committed to conducting business the right way, which means making decisions and acting in a way that is ethical and in compliance with the applicable legal requirements. It endeavours to continuously improve its corporate governance performance to earn the trust and respect of all its stakeholders.

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

## 2. Board

### 2.1 Board business

The normal business of the Board comprises:

#### 2.1.1 Approving:

- a) appointment of the Cost Auditors
- b) capital expenditure and operating budgets
- c) commission payable to the Directors within the limit set by the shareholders
- d) contracts in which the Director(s) are deemed to be interested
- e) cost audit reports
- f) creation of charge on assets in favour of lenders
- g) declaration of interim dividend
- h) joint ventures, collaborations, mergers and acquisitions
- i) loans and investments
- j) matters requiring statutory | Board consent
- k) sale of investments and assets
- l) short, medium or long-term borrowings
- m) unaudited quarterly financial results and audited annual accounts, including segments revenue, results and capital employed

#### 2.1.2 Monitoring:

- a) effectiveness of the governance practices and making desirable changes

- b) implementation of performance objectives and corporate performance
- c) potential conflicts of interest of the Management, the Board members and the shareholders, including misuse of corporate assets and abuse in related party transactions
- d) the Board nomination process such that it is transparent and results in a diversity of experience, gender, knowledge, perspective and thoughts in the Board
- e) the Management and providing strategic guidance while ensuring that encouraging positive thinking does not result in over optimism that either leads to significant risks not being recognised or exposes the Company to excessive risk

#### 2.1.3 Noting:

- a) general notices of interest of the Directors
- b) minutes of the meetings of the Board and its Committees and also the resolution(s) passed by circulation

#### 2.1.4 Recommending:

- a) appointment of the Statutory Auditors
- b) final dividend

#### 2.1.5 Reviewing:

- a) corporate strategy, major plans of action, Risk Policy, annual budgets and business plans
- b) default in payment of statutory dues
- c) fatal or serious accidents, dangerous occurrences and material environmental matters
- d) foreign exchange exposure and exchange rate movement
- e) the integrity of the accounting and financial reporting systems and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational control and compliance with the law and relevant standards

#### 2.1.6 Setting:

- a) a well-defined mandate, composition and working procedures of the committees
- b) a corporate culture and the Values





## 2.1.7 Others:

- a) Acting on a fully informed basis, in good faith, with due diligence and care and in the best interest of the Company and the shareholders.
- b) Aligning remuneration of the key executives and the Board Members with the long-term interests of the Company and the shareholders.
- c) Applying high ethical standards
- d) Assigning a sufficient number of Non-executive Board Members capable of exercising independent judgement to items where there is a potential for conflict of interest.
- e) Assisting the Executive Management by challenging the assumptions underlying strategy, strategic initiatives (such as acquisitions), risk appetite, exposures and the key areas of focus for the Company.

- f) Encouraging training of Directors on a continuous basis to ensure that the Board Members are kept updated.
- g) Exercising objective and independent judgement on corporate affairs.
- h) Facilitating the Independent Directors to perform their role effectively as Board Members and also as Members of Committees.
- i) Meeting the expectations of operational transparency of the stakeholders while maintaining the confidentiality of information to foster a culture of good decision-making.

## 2.2. Appointment and tenure

2/3<sup>rd</sup> of the Directors are rotational Directors. 1/3<sup>rd</sup> of rotational Directors retire in every Annual General Meeting (AGM) and, if eligible, offer themselves for reappointment. The Managing Director is appointed by the Members for a period of up to five years.

## 2.3. Composition, name, other directorships | committee memberships

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

No.	Name	Directorship(s) in other company(ies) <sup>1</sup>	Membership(s) of the Committee(s) of the Board(s) <sup>2</sup>	Chairmanship(s) of the Committee(s) of the Board(s) <sup>2</sup>
	<b>Chairman</b>			
1.	Wolfgang Schumann	1	–	–
	<b>Managing Director</b>			
2.	Tejas Shukla	–	–	–
	<b>Non-executive Directors</b>			
3.	Gopi Kannan Thirukonda	8	4	–
4.	Sudhir Merchant	2	2	–
5.	Sujal Shah	8	9	4
6	Oliver Kusterle	–	–	–

<sup>1</sup>Excludes Directorships in foreign companies and private limited companies

<sup>2</sup>Memberships | Chairmanships of only the Audit Committees and Stakeholders Relationship Committees of all public limited companies, including the Company were considered

#### 2.4. Board meetings and attendance in meetings

No.	1	2	3	4		
Date	Monday, April 22, 2024 at Mumbai	Monday, August 05, 2024 at Atul	Friday, November 15, 2024 at Atul	Friday, February 14, 2025 at Atul	Total attendance in Board meeting	AGM on August 05, 2024
Wolfgang Schumann	✓	A	A	✓	2	A
Gopi Kannan Thirukonda	✓	✓	✓	✓	4	✓
Sudhir Merchant	✓	✓	✓	✓	4	✓
Sujal Shah	✓	✓	✓	✓	4	✓
Oliver Kusterle	✓	✓	✓	✓	4	✓
Tejas Shukla	✓	✓	✓	✓	4	✓
Total attendees	6	5	5	6	-	-

✓ Present | - Absent

#### 2.5. Appointment | Cessation

##### 2.5.1 Appointed: nil

##### 2.5.2 Ceased: nil

##### 2.5.3 Remuneration

No.	Name	Remuneration during the year (₹)			
		Sitting fees	Salary and perquisites	Commission	Total
	<b>Chairman</b>				
1.	Wolfgang Schumann	-	-	-	-
	<b>Managing Director</b>				
2.	Tejas Shukla	-	24,36,973	-	24,36,973
	<b>Non-executive Directors</b>				
3.	Gopi Kannan Thirukonda	-	-	-	-
4.	Sudhir Merchant	2,60,000	-	4,00,000	6,60,000
5.	Sujal Shah	2,40,000	-	4,00,000	6,40,000
6.	Oliver Kusterle	-	-	-	-

Sitting fees of up to ₹ 30,000 per meeting constitute fees paid to the Non-executive Directors for attending the Board, Committee and other meetings as approved by the Board.

Commission of up to 1% of the net profit of the Company to the Non-executive Directors was approved by the members of the Company at the AGM held on August 18, 2023, for a period of five years effective April 01, 2024. The Board approves, within the aforesaid limit, the commission payable to a Non-executive Director.



### 3. Committees of the Board

The Board has constituted the following Committees:

- Audit Committee
- Corporate Social Responsibility Committee
- Nomination and Remuneration Committee

#### 3.1 Audit Committee

##### 3.1.1 Role

- a) Approving:
  - i) appointment of the Chief Financial Officer
  - ii) transactions with related parties and subsequent modifications thereof
- b) Conducting:
  - i) pre-audit discussions with the Auditors regarding the nature and scope of the audit and post-audit discussion to ascertain any area of concern
  - ii) valuation of undertakings or assets, wherever necessary
- c) Formulating:
  - i) code of conduct and related matters
  - ii) scope, functioning, periodicity and methodology for conducting the internal audit in consultation with the Internal Auditor
- d) Reviewing:
  - i) adequacy of the internal audit function, including the structure of the Internal Audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit
  - ii) compliance reports of all applicable laws as well as steps taken to rectify instances of non-compliances periodically
  - iii) financial reporting process and the disclosure of financial information to ensure that the Financial Statements are correct, credible and sufficient

- iv) periodically with the Auditors, the internal control systems, the scope of audit, including the observations of the Auditors and the Financial Statements before submission to the Board
- v) reasons for substantial defaults, if any, in the payment to the depositors, the debenture holders, the members (in case of non-payment of declared dividends) and creditors
- vi) significant transactions and arrangements entered into by the unlisted subsidiary companies
- vii) statement of related party transactions submitted by the Management
- viii) the annual Financial Statements and Auditor's Report with the Management before submission to the Board for approval with particular reference to:
  - any change in accounting policies and practices
  - compliance with accounting standards
  - disclosure of any related party transactions
  - going concern assumption
  - major accounting entries involving estimates based on the exercise of judgement by the Management
  - matters required to be included in the Directors' Responsibility Statement for the Directors' Report
  - qualifications in the draft Audit Report
  - significant adjustments made in the Financial Statements arising out of audit findings
- ix) the Auditors' independence, performance and effectiveness of the audit process

- x) the Financial Statements, in particular, investments made by the unlisted subsidiary companies
- xi) the following information mandatorily:
  - appointment, removal and terms of remuneration of the Chief Internal Auditor
  - Internal Audit Reports relating to weaknesses in the internal control systems
  - Management Discussion and Analysis of financial condition and results of operations
  - management letters | letters of internal control weaknesses issued by the Statutory Auditors
- xii) the functioning of the whistleblowing mechanism
- xiii) with the Internal Auditors any significant findings and follow-up thereon, including findings of any internal investigations into matters where there is a suspected fraud or irregularity or failure of the internal control systems of material nature and reporting such matters to the Board
- xiv) with the Management the statement of uses | applications of funds raised through an issue (public issue, rights issue, preferential issue, etc), the statement of funds utilised for purposes other than those stated and the report submitted by the monitoring agency monitoring the utilisation of proceeds of such issue
- e) Others:
  - i) Determining procedures for risk assessment and minimisation, and reviewing them periodically to ensure that the Executive Management controls risks through means of a properly defined framework.
  - ii) Evaluating internal financial controls and risk management system.
  - iii) Recommending appointment, remuneration and terms of appointment of the Auditors and approval for payment for any other services.
  - iv) Scrutinising inter-corporate loans and investments.
  - v) Other functions as mentioned in the terms of reference of the Audit Committee.

### 3.1.2 Composition, meetings and attendance

The Committee comprises the following members, all having relevant experience in financial matters. During 2024-25, four meetings were held:

No.	Name	Designation	Meetings entitled	Meetings attended
1.	Sudhir Merchant	Chairman	4	4
2.	Sujal Shah	Member	4	4
3.	Gopi Kannan Thirukonda	Member	4	4

The Chairman, the Managing Director, the Chief Financial Officer, the Company Secretary and the Internal Auditors are permanent invitees to the meetings. Invitation to the Statutory Auditors for the meetings is need based. The Board notes the minutes of the Audit Committee meetings.



## 3.2 Corporate Social Responsibility Committee

### 3.2.1 Role

- a) Formulating and recommending the Corporate Social Responsibility (CSR) Policy to the Board.
- b) Formulating and recommending to the Board the annual action plan, which must include:
  - i) the list of CSR projects or programs that are to be undertaken
  - ii) the manner of execution
  - iii) the modalities of utilisation of funds and implementation schedules
  - iv) monitoring and reporting mechanism
  - v) details of need and impact assessment
- c) Indicating reasons to the Board in case the amount of expenditure is less than 2% of the average net profit in a given year.
- d) Monitoring the CSR Policy from time to time.
- e) Recommending the amount of expenditure to be incurred on the CSR initiatives, which may not be less than 2% of the average net profit of the last three years.

### 3.2.2 Composition, meetings and attendance

The Committee comprises the following members. During 2024-25, one meeting was held:

No.	Name	Designation	Meeting entitled	Meeting attended
1.	Gopi Kannan Thirukonda	Chairman	1	1
2.	Wolfgang Schumann	Member	1	1
3.	Sudhir Merchant	Member	1	1

## 3.3 Nomination and Remuneration Committee

### 3.3.1 Role

- a) Devising a policy on Board diversity.
- b) Formulating criteria for determining qualifications, traits and independence of a Director and recommending to the Board a policy relating to the remuneration for the Directors, Key Managerial Personnel and other employees.
- c) Formulating criteria for evaluation of the Independent Directors and the Board.
- d) Identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, recommending to the Board their appointment and removal and carrying out an evaluation of the performance of every Director.
- e) Recommending | determining the remuneration of the Executive Director as per the policy.



### 3.3.2 Composition, meetings and attendance

The Committee comprises the following members. During 2024-25, no meeting was held:

No.	Name	Designation	Meeting entitled	Meeting attended
1.	Sudhir Merchant	Chairman	-	-
2.	Sujal Shah	Member	-	-
3.	Gopi Kannan Thirukonda	Member	-	-
4.	Oliver Kusterle	Member	-	-

## 4. Company policies

### 4.1 Compliance

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

### 4.2 Code of Conduct

The Code of Conduct is available on the website of the Company at [www.racl.co.in/investors/company-policies-2/](http://www.racl.co.in/investors/company-policies-2/). All the Directors and the Senior Management personnel have affirmed their compliance with the Code of Conduct. A declaration to this effect signed by the Managing Director forms part of this report.

### 4.3 Prevention of sexual harassment of women at the workplace

Pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, and the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Rules, 2013, the Company has framed a policy on the prevention of sexual harassment of women at the workplace and constituted Internal Complaints Committee. The status of complaints received during 2024-25, is as under:

Filed during 2024-25	Nil
Disposed of during 2024-25	Nil
Pending as at end of 2024-25	Nil

### 4.4 Related party transactions

The Company has formulated a Related Party Transactions Policy.

## 5. Affirmation and disclosure

There were no materially significant related party transactions, pecuniary transactions or relationships between the Company and its Directors or the Management and their subsidiary companies or relatives, amongst others during 2024-25 that may have a potential conflict with the interests of the Company at large. All details relating to financial and commercial transactions where the Directors may have a pecuniary interest are provided to the Board and the interested Directors neither participate in the discussion nor vote on such matters.

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



## 6. Shareholders' information

### 6.1 Last three Annual General Meetings (AGMs)

Year	Location	Date	Time
2021-22	B   18598, Survey number 33, Atul 396 020, Gujarat, India	August 19, 2022	4:00 pm
2022-23	Through video conferencing at deemed venue: Atul Ltd, Atul 396 020, Gujarat, India	August 18, 2023	4:00 pm
2023-24	Through video conferencing at deemed venue: Atul Ltd, Atul 396 020, Gujarat, India	August 05, 2024	4:00 pm

### 6.2 Special resolutions passed in the previous three AGMs: no

### 6.3 Resolutions passed through postal ballot: nil

### 6.4 Annual General Meeting 2025

Details of the 21<sup>st</sup> AGM are as under:

Year	Location	Date	Time
2024-25	B   18598, Survey number 33, Atul 396 020, Gujarat, India	August 01, 2025	4:00 pm

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

### 6.5 Financial year

April 01 to March 31

### 6.6 Date of book closure

July 19, 2025, to July 25, 2025

### 6.7 Date of dividend payment

August 05, 2025

### 6.8 Location of plant

Atul 396 020, Gujarat, India

### 6.9 Address of correspondence

B | 18598, Survey number 33, Atul 396 020, Gujarat, India

e-mail address: racL\_legal@atul.co.in

### 6.10 Tentative Board meeting dates for consideration of results for 2025-26

No.	Name	Date
1.	First quarter results	August 01, 2025
2.	Second quarter and half-yearly results	November 07, 2025
3.	Third quarter results	February 06, 2026
4.	Fourth quarter and annual results	April 20, 2026

## 7. Role of the Company Secretary in the overall governance process

The Directors have access to the suggestions and services of the Company Secretary | Legal department in ensuring the effective functioning of the Board and its Committees. The Company Secretary administers, attends and prepares minutes of the Board and the Committee proceedings in accordance with the statutory requirements as well as the norms of corporate governance.

## 8. Certification by the Chief Executive Officer and the Chief Financial Officer

Mr Tejas Shukla, Managing Director and Mr Rajas Khaladkar, Chief Financial Officer, issued a certificate to the Board. The said certificate was placed before the Board at the meeting held on April 22, 2025, in which the accounts for the year ended March 31, 2025, were considered and approved by the Board.

Atul  
April 22, 2025

For Rudolf Atul Chemicals Ltd  
(Tejas Shukla)  
**Managing Director**  
DIN: 10309971

# Notice



NOTICE is hereby given that the 21<sup>st</sup> Annual General Meeting of the members of Rudolf Atul Chemicals Ltd will be held on Friday, August 01, 2025 at 4:00 pm at B | 18598, Survey number 33, Atul 396 020, Gujarat, India to transact the following businesses:

## Ordinary business

1. To receive, consider and adopt the audited Financial Statements of the Company for the financial year ended on March 31, 2025 and the Reports of the Directors and the Auditors thereon.
2. To declare dividend on equity shares.
3. To appoint a Director in place of Dr Wolfgang Schumann (DIN: 01995827), who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Mr Sujal Shah (DIN: 00058019) who retires by rotation and being eligible, offers himself for reappointment.

## Special business

5. To consider and, if thought fit, to pass with or without modifications, the following resolution as an ordinary resolution:  

“RESOLVED THAT pursuant to Section 148(3) of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, the remuneration of ₹ 65,200 plus taxes as applicable and reimbursement of actual travel and out-of-pocket expenses for the financial year ending March 31, 2026 as recommended by the Audit Committee and approved by the Board of Directors of the Company, to be paid to Tadhani & Co, Cost Accountants, firm registration number: 003635 for conducting cost audits of the applicable products in the category of Chemicals, Inorganic Chemicals, Organic Chemicals and their derivatives be and is hereby ratified and confirmed.”

## Notes

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself | herself and the proxy need not be a member. A person can act as proxy on behalf of not more than 50 members and hold in aggregate not more than 10% of the total share capital of the Company. In order that the appointment of a proxy to be effective, the instrument appointing the proxy must be received at the registered office of the Company not later than 48 hours before the commencement of the meeting, by 4:00 pm on July 30, 2025.
2. Copies of the Balance Sheet, the Statement of Profit and Loss, the Directors' Report, the Auditor's Report and every other document required by law to be annexed or attached to the Balance Sheet for the financial year ending March 31, 2025, are annexed | attached.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from July 19, 2025 to July 25, 2025 (both days inclusive).
4. The dividend, if approved, will be paid to those members whose names stand on the Register of Members on July 18, 2025.
5. The Register of Directors and Key Managerial Personnel and their shareholding maintained under the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting.
6. The members, desiring any information relating to the accounts, are requested to write to the Company at least seven days before the date of the Annual General Meeting (AGM) to enable the Management to keep the information ready and expeditiously provide them at the AGM, as required.

7. At the ensuing Annual General Meeting, Dr Wolfgang Schumann retires by rotation and being eligible offers himself for reappointment. The information or details pertaining to him are as follows:

Name	Dr Wolfgang Schumann
Date of birth	July 9, 1973
Brief résumé	Dr Wolfgang Schumann is a Director of the Company since March 27, 2008. He is the Chairman of the Board and a Member of Corporate Social Responsibility Committee of the Board.
Directorship in other companies	<b>Public companies</b> Nil <b>Private companies</b> Nil
Membership in committees of other companies	<b>Member of committees</b> Nil <b>Chairman of committee</b> Nil
Cessation from the directorship of a listed company in past three years	Nil
Relationship with other Directors	None
Number of shares held in the Company	Nil

8. At the upcoming Annual General Meeting, Mr Sujal Shah retires by rotation and being eligible, offers himself for reappointment. The information or details pertaining to him are as follows:

Name	Mr Sujal Shah
Date of birth	September 23, 1968
Brief résumé	<p>Mr Sujal Shah is a Director of the Company since August 2011. He is a Member of Audit Committee and Nomination and Remuneration Committee of the Board.</p> <p>Mr Shah is a founder Partner of SSPA &amp; Co, Chartered Accountants. He has about three decades of experience in finance, due diligence, mergers and acquisitions, restructuring, succession planning and valuation.</p> <p>Mr Shah was a member of the group that drafted valuation standards for the Institute of Chartered Accountants of India. He has authored several papers on valuations and restructuring for the Western India Regional Council of the Institute of Chartered Accountants of India and the Bombay Chartered Accountants Society. He was a partner at N M Raiji &amp; Co, Chartered Accountants until October 2006.</p> <p>Mr Shah holds a graduate degree in Commerce from the University of Mumbai and is a Fellow Member of the Institute of Chartered Accountants of India.</p>





Name	Mr Sujal Shah
Directorship in other companies	<p><b>Public companies</b></p> <p>Amrit Corp Ltd  Atul Ltd  Deepak Fertilizers and Petrochemicals Corporation Ltd  Mafatlal Industries Ltd  Navin Fluorine International Ltd  Navin Fluorine Advanced Sciences Ltd  NOCIL Ltd  The Bombay Dyeing and Manufacturing Company Ltd</p> <p><b>Private companies</b></p> <p>SSPA Consultants Pvt Ltd  Thriarr Polymers Pvt Ltd</p>
Membership in committees of other companies	<p><b>Chairman of committees</b></p> <p>Amrit Corp Ltd – Audit Committee  Atul Ltd – Corporate Social Responsibility Committee  Deepak Fertilizers and Petrochemicals Corporation Ltd – Audit Committee  Deepak Fertilizers and Petrochemicals Corporation Ltd – Rights Issue Committee  Navin Fluorine International Ltd – Audit Committee  The Bombay Dyeing and Manufacturing Company Ltd – Audit Committee</p>
	<p><b>Member of committees</b></p> <p>Amrit Corp Ltd – Nomination and Remuneration Committee  Amrit Corp Ltd – Corporate Social Responsibility Committee  Atul Ltd – Audit Committee  Atul Ltd – Nomination and Remuneration Committee  Capricon Realty Pvt Ltd – Corporate Social Responsibility Committee  Deepak Fertilizers and Petrochemicals Corporation Ltd – Finance Committee  Deepak Fertilizers and Petrochemicals Corporation Ltd – Nomination and Remuneration Committee  Deepak Fertilizers and Petrochemicals Corporation Ltd – Securities Issue Committee  Mafatlal Industries Ltd – Corporate Social Responsibility Committee  Navin Fluorine International Ltd – ESG Committee  Navin Fluorine International Ltd – Fundraising Committee  Navin Fluorine International Ltd – Nomination and Remuneration Committee  Navin Fluorine International Ltd – Stakeholders Relationship Committee  Navin Fluorine Advanced Sciences Ltd – Corporate Social Responsibility Committee  NOCIL Ltd – Audit Committee  NOCIL Ltd – Corporate Social Responsibility Committee  NOCIL Ltd – Investment Committee and Diversification Committee</p>

Name	Mr Sujal Shah
Cessation from the directorship of the listed company in the past three years	Nil
Relationship with other Directors	None
Number of shares held in the Company	Nil

Registered office:

B | 18598, Survey number 33

Atul 396 020, Gujarat

India

Corporate identity number: U24110GJ2005PLC045564

April 22, 2025

By order of the Board of Directors

(Rakesh Pathak)  
**Company Secretary**



### Explanatory statement

The following explanatory statement, as required by Section 102 of the Companies Act, 2013 and Regulation 36(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015, sets out material facts, including the nature and concern or interest of the Directors in relation to the item number 5 mentioned in the accompanying Notice:

### Item number 5

In pursuance of Section 148(3) of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the appointment of the Cost Auditors and their remuneration as recommended by the Audit Committee requires approval by the Board of Directors (Board). The remuneration also requires ratification by the members.

On the recommendation of the Audit Committee, the Board considered and approved the appointment of the Cost Auditors, Tadhani & Co, Cost Accountants, for conducting a cost audit of the applicable products in the category of Chemicals, Inorganic Chemicals, Organic Chemicals, and their derivatives at a remuneration of ₹ 65,200 plus taxes as applicable and reimbursement of actual travel and out-of-pocket expenses for the financial year ending on March 31, 2026.

The Board seeks ratification of the aforesaid remunerations by the members and accordingly requests their approval of the ordinary resolutions.

### Memorandum of interest

None of the Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the said resolution.

Registered office:

B | 18598, Survey number 33

Atul 396 020, Gujarat

India

Corporate identity number: U24110GJ2005PLC045564

April 22, 2025

By order of the Board of Directors

(Rakesh Pathak)

**Company Secretary**

# Performance trend

(₹ lakh)

Particulars	2024-25	2023-24	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16
<b>Operating results</b>										
Net sales	16,520	13,804	11,037	12,004	8,827	8,127	8,295	7,327	6,457	6,086
Revenue	16,650	13,926	11,118	12,116	8,888	8,223	8,372	7,399	6,523	6,147
EBITDA	3,631	2,861	1,613	2,236	1,920	1,400	1,581	1,445	1,508	1,424
Interest	19	30	16	14	15	11	13	12	12	10
EBTDA	3,611	2,831	1,597	2,222	1,905	1,389	1,568	1,432	1,496	1,414
Depreciation	54	52	47	47	45	40	40	36	32	26
PBT from operations	3,557	2,779	1,550	2,175	1,860	1,349	1,528	1,396	1,464	1,387
Exceptional   Non-recurring items <sup>1</sup>	-	-	500	-	-	-	-	-	-	-
PBT	3,557	2,779	1,050	2,175	1,860	1,349	1,528	1,396	1,464	1,387
Tax	917	857	273	536	481	350	455	492	511	480
Net profit	2,640	1,922	777	1,639	1,379	999	1,073	904	953	907
Other comprehensive income net of tax	(3)	5	11	(6)	(6)	1	0.2	(0.4)	(3)	-
Total comprehensive income	2,637	1,927	788	1,633	1,373	1,000	1,073	903	950	907
Dividend (including DDT <sup>2</sup> )	1,751	584	2,335	876	292	528	-	703	1,792	140
<b>Financial position</b>										
Gross block <sup>3</sup>	906	853	898	829	815	772	707	689	674	567
Net block <sup>3</sup>	589	591	645	619	652	648	574	596	617	542
Other assets (net)	5,711	4,824	3,426	4,999	4,209	3,132	2,734	1,639	1,417	2,334
Capital employed	6,300	5,415	4,071	5,619	4,861	3,780	3,308	2,235	2,034	2,876
Equity share capital	584	584	584	584	584	584	584	584	584	584
Other equity	5,716	4,831	3,487	5,035	4,278	3,197	2,725	1,651	1,450	2,292
Total equity	6,300	5,415	4,071	5,619	4,861	3,780	3,308	2,235	2,034	2,876
Borrowings	-	-	-	-	-	-	-	-	-	-
<b>Per equity share (₹)</b>										
Dividend	30.00	10.00	40.00	15.00	5.00	7.50	-	10.00	12.75	12.75
Book value	107.93	92.76	69.74	96.25	83.28	64.76	56.67	38.28	34.84	49.27
Earning	45.22	32.93	13.31	28.09	23.63	17.11	18.38	15.48	16.33	15.54
<b>Key indicators</b>										
EBITDA %	21.98%	20.73%	14.61%	18.63%	21.75%	17.23%	19.05%	19.24%	20.81%	21.41%
EBTDA %	21.86%	20.51%	14.47%	18.51%	21.58%	17.09%	18.90%	19.07%	20.65%	21.26%
PBT %	21.53%	20.13%	9.51%	18.12%	21.07%	16.60%	18.42%	18.59%	20.21%	20.85%
RoCE % <sup>1,4</sup>	61.38%	59.85%	32.67%	41.94%	43.60%	38.48%	55.62%	66.54%	61.30%	57.14%
RoNW %	45.06%	40.52%	16.04%	31.29%	31.92%	28.19%	38.72%	42.35%	38.82%	36.39%
Payment to the exchequer	4,241	3,482	2,665	3,058	2,243	1,889	1,984	2,377	1,991	1,854

## Notes:

<sup>1</sup>Excluding exceptional items-donation paid for political purpose | <sup>2</sup>Dividend distribution tax | <sup>3</sup>Including capital work-in-progress |

<sup>4</sup>Excluding capital work-in-progress

# Independent Auditor's Report



## To the members of Rudolf Atul Chemicals Limited

### Report on the audit of the Financial Statements

#### Opinion

We have audited the accompanying Financial Statements of Rudolf Atul Chemicals Limited (the Company), which comprise the Balance Sheet as at March 31, 2025, and the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flows and the Statement of changes in equity for the year ended on that date, and notes to the Financial Statements including a summary of material 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 Companies Act, 2013 (the Act) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, (Ind AS) and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2025, and its profit, total comprehensive income, its cash flows and the changes in equity 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) specified under section 143(10) of the Act. 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 Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Financial Statements.

### Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report and its annexures, Management Discussion and Analysis, Corporate Governance Report but does not include the Financial Statements and our auditor's report thereon.
- Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of Management and Board of Directors for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including Ind AS specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies, making judgments and estimates that are

reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Company's Board of Directors is also responsible for overseeing the Company'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:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate

to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in





the Financial Statements that, individually or in aggregate, 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 financial controls that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

### Report on Other Legal and Regulatory Requirements

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

- d) In our opinion, the aforesaid Financial Statements comply with the Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the Directors as on March 31, 2025 taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls of the Company with reference to its Financial Statements.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its Directors during the year is in accordance with the provisions of Section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its Financial Statements - refer Note 26.1 to the Financial Statements;

- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. (a) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the Note 26.14 to the Financial Statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (Intermediaries), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the ultimate beneficiaries.
  - (b) The Management has represented, that, to the best of its knowledge and belief, other than as disclosed in the Note 26.14 to the Financial Statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (Funding Parties), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under Sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
  - v. The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act, as applicable.
- As stated in Note 26.8 to the Financial Statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. Such dividend proposed is in accordance with Section 123 of the Act, as applicable
- vi. Based on our examination which included test checks, the Company has used accounting software systems for maintaining its books of account for the financial year ended March 31, 2025 which have the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software systems.



Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention, as applicable.

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

**For Deloitte Haskins & Sells LLP**

Chartered Accountants

Firm's Registration No. 117366W | W-100018

Ketan Vora

**Partner**

Mumbai

Membership number: 100459

April 22, 2025

UDIN: 25100459BMMHKK1353

# Annexure A to the Independent Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

## **Report on the Internal Financial Controls with reference to Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the Act)**

We have audited the internal financial controls with reference to Financial Statements of Rudolf Atul Chemicals Limited (the Company) as of March 31, 2025 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

## **Management's and Board of Directors' Responsibilities for Internal Financial Controls**

The Management of the Company is responsible for establishing and maintaining internal financial controls with reference to Financial Statements based on the internal control with reference to Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the Guidance Note) issued by the Institute of Chartered Accountants of India (the ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, as required under the Companies Act, 2013.

## **Auditor's responsibility**

Our responsibility is to express an opinion on the internal financial controls of the Company with reference to Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of internal financial controls over financial reporting (the Guidance Note) issued by the ICAI the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to Financial Statements. Those Standards and the Guidance Note

require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to Financial Statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls with reference to Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the judgement of the Auditor's, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to Financial Statements of the Company.

## **Meaning of Internal Financial Controls with reference to Financial Statements**

A company's internal financial control with reference to Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with generally accepted accounting principles. company's internal financial control with reference to Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of Management and Directors of the Company; and (3) provide reasonable assurance regarding prevention



or timely detection of unauthorised acquisition, use, or disposition of the assets of the Company that could have a material effect on the Financial Statements.

### **Inherent Limitations of Internal Financial Controls with reference to Financial Statements**

Because of the inherent limitations of internal financial controls with reference to Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Financial Statements to future periods are subject to the risk that the internal financial control with reference to Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us the Company has, in all material respects, an adequate internal financial controls system with reference to Financial Statements and such internal financial controls with reference to Financial Statements were operating effectively as at March 31, 2025, based on the criteria for internal financial control with reference to Financial Statements established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

### **For Deloitte Haskins & Sells LLP**

Chartered Accountants

Firm's Registration No. 117366W | W-100018

Ketan Vora

**Partner**

Mumbai

Membership number: 100459

April 22, 2025

UDIN: 25100459BMMHKK1353

## Annexure B to the Independent Auditor's Report

Referred to in paragraph 2 under 'Report on Other legal and regulatory requirements' section of our report of even date.

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

- (i) a) In respect of Company's Property, Plat and Equipment, Capital work-in-progress, right-of-use assets and Intangible Assets:
  - (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, plant and equipment, capital work-in-progress, and relevant details of right-of-use assets
  - (B) The Company has maintained proper records showing full particulars of intangible assets
- b) The Company has a program of verification of Property, plant and equipment, capital work-in-progress, and right-of-use assets so as to cover all the items in a phased manner once over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, no such assets were due for physical verification during the year. Since no physical verification of property, plant and equipment was due during the year the question of reporting on material discrepancies noted on verification does not arise.
- c) The Company does not have any immovable properties other than properties where the Company is the lessee, and the lease agreements are duly executed in favour of the lessee and hence reporting under clause (i) (c) of the Order is not applicable.
- d) The Company has not revalued any of its property, plant and equipment (including right-of-use-assets) and intangible assets during the year.
- e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami

property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

- (ii) a) The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories, when compared with the books of account.
- b) According to the information and explanations given to us, at any point of time of the year, the Company has not been sanctioned any working capital facility from banks or financial institutions and hence reporting under clause (ii)(b) of the Order is not applicable.
- (iii) The Company has granted unsecured loans to any other parties during the year, in respect of which:
  - a) The Company has provided unsecured loans during the year and details of which are given below:

(₹ lakh)

Particulars	Loans
A. Aggregate amount granted during the year:	
- Others - Employees	0.10
B. Balance outstanding as at balance sheet date in respect of the above cases:	
- Others - Employees	0.08

The Company has not provided any guarantee or security and advances in the nature of loans to any other entity during the year.

- b) The loans provided and the terms and conditions of the grant of all the above-mentioned loans, during the year are, in our opinion, prima facie not prejudicial to the Company's interest.
- c) In respect of loans granted by the Company, the schedule of repayment of principal and





payment of interest has been stipulated and the repayments of principal amounts and receipts of interest have been regular as per stipulation.

- d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted and advances in the nature of loans provided by the Company, there is no overdue amount remaining outstanding as at the Balance Sheet date.
- e) No loan or advance in the nature of loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause (iii)(f) is not applicable
- (iv) According to the information and explanation given to us, the Company has not granted any loans, made investments or provided guarantees or securities that are covered under the provisions of Sections 185 or 186 of the Companies Act, 2013, and hence reporting under clause (iv) is not applicable.
- (v) The Company has complied with the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 as amended, with regard to the deposits accepted and amounts deemed to be deposits accepted. According to the information and explanations given to us, no order has been passed by the Company Law Board or the

National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal against the Company in this regard.

- (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Act. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government for maintenance of cost records under Sub-section (1) of Section 148 of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) In respect of statutory dues:
  - a) The Company has been generally regular in depositing undisputed statutory dues of the year, including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income Tax, Sales tax, Service Tax, duty of customs, duty of excise, cess and other material statutory dues applicable to it, to the appropriate authorities.  
  
There were no undisputed amounts payable in respect of goods and Service Tax, Provident Fund, Employees' State Insurance, Income Tax, duty of custom, duty of excise, cess and other material statutory dues in arrears as at March 31, 2025, for a period of more than six months from the date they became payable.
  - b) Details of statutory dues referred to Sub-clause (a) above which have not been deposited as on March 31, 2025, on account of disputes are given below:

Name of statute	Nature of dues	Forum where dispute is pending	Period to which the amount relates	Amount unpaid (₹)	Amount paid under protest (₹)
The Income Tax Act, 1961	Income tax	Commissioner of Income Tax (Appeals)	Assessment year 2011 -2012	18,58,210	3,27,800
The Income Tax Act, 1961	Income tax	Commissioner of Income Tax (Appeals)	Assessment year 2015 -2016	11,68,823	4,19,652
The Income Tax Act, 1961	Income tax	Commissioner of Income Tax (Appeals)	Assessment year 2017 -2018	21,95,307	4,55,097

- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause (ix) of the Order is not applicable to the Company.
- (x)
  - a) The Company has not issued any of its securities (including debt instrument) during the year and hence reporting under clause (x)(a) of the Order is not applicable.
  - b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.
- (xi)
  - a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
  - b) To the best of our knowledge, no report under Sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
  - c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year and upto the date of this report.
- (xii) The Company is not a Nidhi Company and hence reporting under Clause (xii) of the Order is not applicable.
- (xiii) In our opinion, Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the Financial Statements etc. as required by the applicable accounting standards.
- (xiv)
  - a) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.
  - b) We have considered the internal audit reports issued to the Company during the year and covering the period upto (March 2024 to September 2024) and the draft of the internal audit report where issued after the balance sheet date covering the period October 01, 2024 to February 28, 2025 for the period under audit.
- (xv) In our opinion, during the year, the Company has not entered into any non-cash transactions with its Directors or Directors of the holding, subsidiary or associate company or persons connected with them and hence provisions of Section 192 of the Companies Act 2013 are not applicable.
- (xvi)
  - a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under Clause (xvi)(a), (b) and (c) of the Order is not applicable.
  - b) In our opinion, the Group does not have any core investment company {as defined in the Core Investment Companies (Reserve Bank) Directions, 2016} as part of the group and accordingly reporting under clause (xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the Statutory Auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Financial Statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of Balance Sheet as and when



they fall due within a period of one year from the Balance Sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the Audit Report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the Balance Sheet date, will get discharged by the Company as and when they fall due.

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

**For Deloitte Haskins & Sells LLP**

Chartered Accountants

Firm's Registration No. 117366W | W-100018

Ketan Vora

**Partner**

Mumbai

Membership number: 100459

April 22, 2025

UDIN: 25100459BMMHKK1353

# Balance Sheet as at March 31, 2025

(₹ lakh)

	Particulars	Note	As at March 31, 2025	As at March 31, 2024
<b>A</b>	<b>ASSETS</b>			
1.	<b>Non-current assets</b>			
a)	Property, plant and equipment	2	545.40	577.61
b)	Capital work-in-progress	2	36.10	0.47
c)	Intangible assets	3	7.94	13.23
d)	Financial Assets			
i)	Loans	4	-	350.00
ii)	Other financial assets	9	5.69	5.69
e)	Income tax assets (net)	26.4	26.79	16.93
f)	Deferred tax assets (net)	26.4	11.74	13.62
g)	Other non-current assets	5	-	2.13
	<b>Total non-current assets</b>		<b>633.66</b>	<b>979.68</b>
2.	<b>Current assets</b>			
a)	Inventories	6	1,057.76	1,098.45
b)	Financial assets			
i)	Trade receivables	7	3,257.97	3,087.59
ii)	Cash and cash equivalents	8	3,682.03	2,152.10
iii)	Loans	4	-	100.00
iv)	Other financial assets	9	1.84	0.67
c)	Other current assets	5	26.71	43.21
	<b>Total current assets</b>		<b>8,026.31</b>	<b>6,482.02</b>
	<b>Total assets</b>		<b>8,659.97</b>	<b>7,461.70</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>			
	<b>Equity</b>			
a)	Equity share capital	10	583.75	583.75
b)	Other equity	11	5,716.49	4,831.26
	<b>Total equity</b>		<b>6,300.24</b>	<b>5,415.01</b>
	<b>Liabilities</b>			
1.	<b>Non-current liabilities</b>			
a)	Financial liabilities			
i)	Lease liabilities	12	108.50	108.58
b)	Provisions	14	55.68	46.40
	<b>Total non-current liabilities</b>		<b>164.18</b>	<b>154.98</b>
2.	<b>Current liabilities</b>			
a)	Financial liabilities			
i)	Lease liabilities	12	7.00	-
ii)	Trade payables			
	Total outstanding dues of			
a)	Micro-enterprises and small enterprises	15	233.27	341.29
b)	Creditors other than micro-enterprises and small enterprises	15	1,406.27	1,058.64
iii)	Other financial liabilities	13	454.27	407.03
b)	Contract liabilities	16	4.16	19.85
c)	Other current liabilities	17	85.29	58.47
d)	Provisions	14	5.29	6.43
	<b>Total current liabilities</b>		<b>2,195.55</b>	<b>1,891.71</b>
	<b>Total liabilities</b>		<b>2,359.73</b>	<b>2,046.69</b>
	<b>Total equity and liabilities</b>		<b>8,659.97</b>	<b>7,461.70</b>

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

In terms of our report attached

For and on behalf of the Board of Directors

**For Deloitte Haskins & Sells LLP**  
Chartered Accountants

Wolfgang Schumann  
(DIN: 01995827)  
**Chairman**

Ketan Vora  
**Partner**  
Membership number: 100459

Rajas Khaladkar  
**Chief Financial Officer**

Tejas Shukla  
(DIN: 10309971)  
**Managing Director**

Mumbai  
April 22, 2025

Rakesh Pathak  
**Company Secretary**

Atul  
April 22, 2025

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



(₹ lakh)

Particulars	Note	2024-25	2023-24
<b>INCOME</b>			
Revenue from operations	18	16,649.53	13,925.62
Other income	19	148.57	109.45
<b>Total income</b>		<b>16,798.10</b>	<b>14,035.07</b>
<b>EXPENSES</b>			
Cost of materials consumed	20	9,372.46	7,879.50
Purchase of stock-in-trade		1,545.45	1,449.13
Changes in inventories of finished goods and stock-in-trade	21	60.08	(68.75)
Employee benefit expenses	22	828.76	838.51
Finance costs	23	19.39	30.28
Depreciation and amortisation expenses	24	54.20	52.21
Other expenses	25	1,360.72	1,075.04
<b>Total expenses</b>		<b>13,241.06</b>	<b>11,255.92</b>
<b>Profit before tax</b>		<b>3,557.04</b>	<b>2,779.15</b>
<b>Tax expense</b>			
Current tax	26.4	909.73	713.56
Excess   short provision of tax	26.4	5.88	138.53
Deferred tax	26.4	1.88	5.02
<b>Total tax expense</b>		<b>917.49</b>	<b>857.11</b>
<b>Profit for the year</b>		<b>2,639.55</b>	<b>1,922.04</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified to profit   loss			
i) Remeasurement gain   (loss) on defined benefit plans		(4.10)	7.27
ii) Income tax relating to above item	26.4	1.03	(1.83)
<b>Other comprehensive income, net of tax</b>		<b>(3.07)</b>	<b>5.44</b>
<b>Total comprehensive income for the year</b>		<b>2,636.48</b>	<b>1,927.48</b>
<b>Earnings per equity share of ₹ 10 each</b>			
Basic earnings (₹)	26.10	45.22	32.93
Diluted earnings (₹)	26.10	45.22	32.93

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

In terms of our report attached

For and on behalf of the Board of Directors

For Deloitte Haskins & Sells LLP  
Chartered Accountants

Wolfgang Schumann  
(DIN: 01995827)  
**Chairman**

Ketan Vora  
**Partner**  
Membership number: 100459

Rajas Khaladkar  
**Chief Financial Officer**

Tejas Shukla  
(DIN: 10309971)  
**Managing Director**

Mumbai  
April 22, 2025

Rakesh Pathak  
**Company Secretary**

Atul  
April 22, 2025

# Statement of Changes in Equity for the year ended on March 31, 2025

## A Equity share capital

(₹ lakh)

Particulars	Note	Amount
Balance as at April 01, 2023		583.75
Changes in equity share capital during the year		-
Balance as at March 31, 2024		583.75
Changes in equity share capital during the year		-
Balance as at March 31, 2025	10	583.75

## B Other equity

(₹ lakh)

Particulars	Reserves and surplus			Total other equity
	Securities premium	General reserve	Retained earnings <sup>1</sup>	
Balance as at April 01, 2023	416.69	35.27	3,035.57	3,487.53
Profit for the year	-	-	1,922.04	1,922.04
Other comprehensive income, net of tax	-	-	5.44	5.44
<b>Total comprehensive income for the year</b>	-	-	<b>1,927.48</b>	<b>1,927.48</b>
Dividend on equity shares (refer Note 26.8)	-	-	(583.75)	(583.75)
Balance as at March 31, 2024	416.69	35.27	4,379.30	4,831.26
Profit for the year	-	-	2,639.55	2,639.55
Other comprehensive income, net of tax	-	-	(3.07)	(3.07)
<b>Total comprehensive income for the year</b>	-	-	<b>2,636.48</b>	<b>2,636.48</b>
Dividend on equity shares (refer Note 26.8)	-	-	(1,751.25)	(1,751.25)
Balance as at March 31, 2025	416.69	35.27	5,264.53	5,716.49

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

<sup>1</sup>Includes balance of remeasurement loss on defined benefit plans of ₹ 1.8 lakh ( March 31, 2024: ₹ (1.2) lakh). Refer Note 11 for nature and purpose of reserves

In terms of our report attached

For and on behalf of the Board of Directors

For Deloitte Haskins & Sells LLP  
Chartered Accountants

Wolfgang Schumann  
(DIN: 01995827)  
Chairman

Ketan Vora  
Partner  
Membership number: 100459  
Mumbai  
April 22, 2025

Rajas Khaladkar  
Chief Financial Officer

Tejas Shukla  
(DIN: 10309971)  
Managing Director

Rakesh Pathak  
Company Secretary

Atul  
April 22, 2025

# Statement of Cash Flows

for the year ended on March 31, 2025



(₹ lakh)

Particulars		2024-25	2023-24
<b>A</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Profit before tax	3,557.04	2,779.15
	Adjustments for:		
	Depreciation and amortisation expenses	54.20	52.21
	Finance costs	19.39	30.28
	Loss   (gain) on disposal of property, plant and equipment (net)	-	1.28
	Unrealised exchange rate difference (net)	0.25	-
	Interest income	(136.56)	(107.33)
	Liabilities no longer required written back	(0.51)	(0.01)
	<b>Operating profit before change in operating assets and liabilities</b>	<b>3,493.81</b>	<b>2,755.58</b>
	Adjustments for:		
	(Increase)   Decrease in inventories	40.69	52.58
	(Increase)   Decrease in non-current and current assets	(152.92)	(386.68)
	Increase   (Decrease) in non-current and current liabilities	294.25	(3.67)
	<b>Cash generated from operations</b>	<b>3,675.83</b>	<b>2,417.81</b>
	Income tax paid (net of refund)	(928.88)	(846.28)
	<b>Net cash flow from operating activities</b>	<b>2,746.95</b>	<b>1,571.53</b>
<b>B</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Payments towards property, plant and equipment (including capital advances and CWIP)	(52.33)	(31.56)
	Purchase of intangible assets	-	(15.87)
	Proceeds from disposal of property, plant and equipment	-	46.21
	Repayment of inter-corporate deposit given	450.00	50.00
	Interest received	136.56	107.33
	<b>Net cash flow from investing activities</b>	<b>534.23</b>	<b>156.11</b>



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

(₹ lakh)

Particulars	2024-25	2023-24
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Finance lease obligation paid	-	(20.00)
Dividend on equity shares	(1,751.25)	(583.75)
<b>Net cash used in financing activities C</b>	<b>(1,751.25)</b>	<b>(603.75)</b>
<b>Net increase   (decrease) in cash and cash equivalents (A+B+C)</b>	<b>1,529.93</b>	<b>1,123.89</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>2,152.10</b>	<b>1,028.21</b>
<b>Cash and cash equivalents at the end of the year (refer Note 8)</b>	<b>3,682.03</b>	<b>2,152.10</b>

- i) The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in the Ind AS 7 on the Statement of Cash Flows as notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended.
- ii) Cash flow from operating activities include ₹ 41.00 lakh (March 31, 2024 : ₹ 35.00 lakh) being expenditure towards Corporate Social Responsibility initiatives. (Refer note 26.13)

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

In terms of our report attached

For and on behalf of the Board of Directors

**For Deloitte Haskins & Sells LLP**  
Chartered Accountants

Wolfgang Schumann  
(DIN: 01995827)  
**Chairman**

Ketan Vora  
**Partner**  
Membership number: 100459  
Mumbai  
April 22, 2025

Rajas Khaladkar  
**Chief Financial Officer**

Rakesh Pathak  
**Company Secretary**

Tejas Shukla  
(DIN: 10309971)  
**Managing Director**

Atul  
April 22, 2025



## Notes to the Financial Statements

### Background

Rudolf Atul Chemicals Ltd (the Company) is a limited company incorporated and domiciled in India. It is a joint venture company of Rudolf GmbH and Atul Ltd, engaged in manufacturing and marketing of textile chemicals in India. The Company is effectively leveraging the strengths of Rudolf GmbH and Atul Ltd in serving its customers by becoming total solution provider and is thereby helping the two partners to participate in the growing marketplace. The registered office of the Company is located at B | 18598, Survey number 33, Atul 396 020, Gujarat, India.

#### Note 1 Material accounting policies

This Note provides a list of the significant accounting policies adopted by the Company in the 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 aspects 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:

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, relating 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.

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) Property, plant and equipment

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.

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 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 Statment 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 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 a 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 (Residential, factory, etc)	30 to 60 years
Plant and equipment <sup>1</sup>	6 to 20 years
Vehicles <sup>1</sup>	6 years
Office equipment and furniture	5 to 10 years

<sup>1</sup>The 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.

Land accounted under finance lease is amortised on a straight-line basis over the primary period of lease.

Right-of-use are depreciated over their expected useful lives on the same basis as own assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

#### **d) Capital work-in-progress**

The cost of 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 the 'Capital Avances'.

#### **e) 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.

#### **f) Impairment**

The carrying amounts 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 will be 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 the carrying



amount of the assets does not exceed the carrying amount that will be determined if no impairment loss had previously been recognised.

**g) 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.

**h) Statement of cash flows**

Cash flows are reported using the indirect method, whereby profit 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 item of income or expenses associated with investing or financing cash flows. The cash generated from | (used) in operating, investing and financing activities of the Company are segregated.

**i) Trade receivable**

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

**j) Trade and other payables**

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

**k) 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.

**l) 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. Cost includes the reclassification from equity of any gains or losses on qualifying cash flow hedges relating to purchases of raw material but excludes borrowing costs.

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.

**m) 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 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 Profit and Loss except that they are deferred in other equity if they relate to qualifying cash flow hedges. Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Statement of Profit and Loss, within finance costs. All other foreign exchange gain | (loss) presented in the Statement of Profit and Loss are on a net basis within other income.

Non-monetary items that are measured at fair value and 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.

**n) 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 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 from services, including those embedded in contract for sale of goods, namely, freight services, mainly in case of door-to-door delivery basis, is recognised upon completion of services.

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 upto 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 the government which are levied on sales such as goods and services tax.

ii) Other income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable. Commission income is recognised on the basis of confirmation received.

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.

**o) Employee benefits**

**i) Defined benefit plan**

**Gratuity**

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

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

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

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

**Provident fund**

The company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

**iii) Long-term employee benefits**

The liabilities for earned and sick 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.

**p) 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.

**q) 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 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 income tax is provided in full, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts to the extent that it is probable that the taxable profits will be available against which those deductible temporary differences can be utilised. The deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit | (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

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

The 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. The 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.

The 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. The Company assessed whether the Appendix had an impact on its Financial Statements.

#### **r) Leases**

As a lessee

The Company assesses whether a contract is, or contains a lease, at the 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 lease arrangements in which it is a lessee, except for short-term leases (leases with a term of 12 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 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 an 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 lease modifications or revised in-substance fixed lease payments.

#### **s) Earnings per share**

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

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

#### **t) 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.

#### u) Dividend

Final dividend on shares is recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Board of Directors of the Company.

#### Critical estimates and judgments

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 judgments are:

- Estimation for income tax: Note 1 (q)
- Estimation of useful life of tangible assets: Note 1 (c)
- Estimation of provision for inventories: Note 1 (l)
- Allowance for credit losses on trade receivable: Note 1 (i)
- Estimation of claims | liabilities: Note 1 (p)
- Estimation of defined benefit obligation: Note 1 (o)
- Fair value measurements: Note 26.6
- Impairment: Note 1 (f)



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

(₹ lakh)

Particulars	Right-of-use Buildings <sup>1</sup>	Plant and equipment <sup>2</sup>	Office equipment and furniture	Vehicles	Total	Capital work-in-progress
<b>Gross carrying amount</b>						
<b>Balance as at April 01, 2023</b>	<b>393.87</b>	<b>413.14</b>	<b>13.66</b>	<b>11.48</b>	<b>832.15</b>	<b>66.00</b>
Additions	-	83.09	-	14.00	97.09	15.20
Deductions and adjustments	-	(80.89)	-	(11.48)	(92.37)	(80.73)
<b>Balance as at March 31, 2024</b>	<b>393.87</b>	<b>415.34</b>	<b>13.66</b>	<b>14.00</b>	<b>836.87</b>	<b>0.47</b>
Additions	-	16.22	0.48	-	16.70	52.33
Disposal and adjustments	-	-	-	-	-	(16.70)
<b>Balance as at March 31, 2025</b>	<b>393.87</b>	<b>431.56</b>	<b>14.14</b>	<b>14.00</b>	<b>853.57</b>	<b>36.10</b>
<b>Depreciation</b>						
<b>Up to April 01, 2023</b>	<b>117.40</b>	<b>123.82</b>	<b>6.79</b>	<b>5.57</b>	<b>253.58</b>	<b>-</b>
For the year	14.54	29.45	1.68	3.90	49.57	-
Disposal and adjustments	-	(35.20)	-	(8.69)	(43.89)	-
<b>Up to March 31, 2024</b>	<b>131.94</b>	<b>118.07</b>	<b>8.47</b>	<b>0.78</b>	<b>259.26</b>	<b>-</b>
For the year	14.55	30.35	1.68	2.33	48.91	-
Disposal and adjustments	-	-	-	-	-	-
<b>Up to March 31, 2025</b>	<b>146.49</b>	<b>148.42</b>	<b>10.15</b>	<b>3.11</b>	<b>308.17</b>	<b>-</b>
<b>Net carrying amount</b>						
Balance as at March 31, 2024	261.93	297.27	5.19	13.22	577.61	0.47
<b>Balance as at March 31, 2025</b>	<b>247.38</b>	<b>283.14</b>	<b>3.99</b>	<b>10.89</b>	<b>545.40</b>	<b>36.10</b>

<sup>1</sup>Building includes premises (along with affixed land) taken on 30 year lease, and classified as finance lease.

(₹ lakh)

Buildings	March 31, 2025	March 31, 2024
Cost   Deemed cost	392.81	392.81
Accumulated depreciation	(145.48)	(130.93)
<b>Net carrying amount</b>	<b>247.33</b>	<b>261.88</b>

<sup>2</sup>The manufacturing plant of the Company is installed in land and building leased by the joint venturer, Atul Ltd.

### Capital work-in-progress ageing

(₹ lakh)

Particulars	Balance as at March 31, 2025				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	36.10	-	-	-	36.10
Projects temporarily suspended	-	-	-	-	-

(₹ lakh)

Particulars	Balance as at March 31, 2024				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	0.47	-	-	-	0.47
Projects temporarily suspended	-	-	-	-	-

(₹ lakh)

Note 3 Intangible assets	Computer Software
<b>Gross carrying amount</b>	
<b>Balance as at April 01, 2023</b>	-
Additions	15.87
<b>Balance as at March 31, 2024</b>	<b>15.87</b>
Additions	-
<b>Balance as at March 31, 2025</b>	<b>15.87</b>
<b>Amortisation</b>	
<b>Up to April 01, 2023</b>	-
Amortisation charged for the year	2.64
<b>Up to March 31, 2024</b>	<b>2.64</b>
Amortisation charged for the year	5.29
<b>Up to March 31, 2025</b>	<b>7.93</b>
<b>Net carrying amount</b>	
Balance as at March 31, 2024	13.23
<b>Balance as at March 31, 2025</b>	<b>7.94</b>

(₹ lakh)

Note 4 Loans		As at March 31, 2025		As at March 31, 2024	
		Non-current	Current	Non-current	Current
Unsecured, considered good					
i)	Inter-corporate deposit to related party (refer Note 26.3 C)	-	-	350.00	100.00
		-	-	<b>350.00</b>	<b>100.00</b>

The Company determines the realisable value of loans based on the regular service of interest on loan, subsequent recoveries of loan, past trends, credit risk profiles and support of holding company of the loanee. Based on this assessment, the Company is of the view that carrying amounts of loans are expected to be realisable.

(₹ lakh)

Note 5 Other assets		As at March 31, 2025		As at March 31, 2024	
		Non-current	Current	Non-current	Current
i)	Balances with government authorities	-	-	2.13	-
ii)	Advances for goods and services	-	4.62	-	8.05
iii)	Others	-	22.09	-	35.16
		-	<b>26.71</b>	<b>2.13</b>	<b>43.21</b>



(₹ lakh)

Note 6 Inventories <sup>1</sup>		As at March 31, 2025	As at March 31, 2024
i)	Raw materials and packing materials	664.11	582.83
	Add: Goods-in-transit	7.23	61.17
		<b>671.34</b>	<b>644.00</b>
ii)	Finished goods	333.32	372.71
iii)	Stock-in-trade	52.06	72.75
iv)	Stores, spares and fuel	1.04	8.99
		<b>1,057.76</b>	<b>1,098.45</b>

<sup>1</sup>Measured at the lower of cost and net realisable value

(₹ lakh)

Note 7 Trade receivables		As at March 31, 2025	As at March 31, 2024
Undisputed trade receivables considered good - unsecured			
a)	Others	3,233.13	2,963.75
b)	Related parties (refer Note 26.3)	41.80	146.86
	Less: Allowance for doubtful debts <sup>1</sup>	(16.96)	(23.02)
		<b>3,257.97</b>	<b>3,087.59</b>

<sup>1</sup>Allowance for doubtful debts recognised in the Statement of Profit and Loss of ₹ nil lakh (March 31, 2024: ₹ nil lakh).

## Trade receivable ageing

(₹ lakh)

Particulars		As at March 31, 2025						Total
		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	
i)	Undisputed trade receivables: considered good	2,894.57	371.73	7.79	0.84	-	-	3,274.93
ii)	Allowance for doubtful debts <sup>1</sup>	-	(8.33)	(7.79)	(0.84)	-	-	(16.96)
		2,894.57	363.40	-	-	-	-	3,257.97

<sup>1</sup>Allowance for doubtful debts include expected credit loss provision

(₹ lakh)

Particulars		As at March 31, 2024						Total
		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	
i)	Undisputed trade receivables: considered good	2,622.77	460.33	17.74	9.77	-	-	3,110.61
ii)	Allowance for doubtful debts <sup>1</sup>	-	-	(13.25)	(9.77)	-	-	(23.02)
		2,622.77	460.33	4.49	-	-	-	3,087.59

<sup>1</sup>Allowance for doubtful debts include expected credit loss provision

(₹ lakh)

Note 8 Cash and cash equivalents		As at March 31, 2025	As at March 31, 2024
Balances with banks			
i) In current accounts		66.36	79.96
ii) In demand deposit having original maturity of less then 3 months		3,615.67	2,072.14
		<b>3,682.03</b>	<b>2,152.10</b>

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

(₹ lakh)

Note 9 Other financial assets		As at March 31, 2025		As at March 31, 2024	
		Non - current	Current	Non - current	Current
i) Other receivables (including loan to employees)		-	1.84	-	0.67
ii) Security and other deposits		5.69	-	5.69	-
		<b>5.69</b>	<b>1.84</b>	<b>5.69</b>	<b>0.67</b>

(₹ lakh)

Note 10 Equity share capital		As at March 31, 2025		As at March 31, 2024	
		Number of shares	₹ lakh	Number of shares	₹ lakh
<b>Authorised</b>					
Equity shares of ₹ 10 each		70,00,000	700.00	70,00,000	700.00
<b>Issued, subscribed and fully paid-up</b>					
Equity shares of ₹ 10 each		58,37,500	583.75	58,37,500	583.75



(₹ lakh)

i) Movement in equity share capital	Number of shares	Equity share capital
As at March 31, 2024	58,37,500	583.75
As at March 31, 2025	58,37,500	583.75

## ii) Terms and rights attached to equity shares

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

### a) 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, 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.

### b) Dividend:

The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

## iii) 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.	IB Industriechemie Beteiligungs GmbH	50.00%	29,18,750	50.00%	29,18,750
2.	Atul Ltd	50.00%	29,18,750	50.00%	29,18,750

## iv) Shareholding of promoters:

No.	Name of the shareholder	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.	IB Industriechemie Beteiligungs GmbH	29,18,750	50.00%	-	29,18,750	50.00%	-
2.	Atul Ltd	29,18,750	50.00%	-	29,18,750	50.00%	-



(₹ lakh)

Note 11 Other equity		As at March 31, 2025	As at March 31, 2024
i)	Security premium	416.69	416.69
ii)	General reserve	35.27	35.27
iii)	Retained earnings	5,264.53	4,379.30
		<b>5,716.49</b>	<b>4,831.26</b>

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

### Nature and purpose of other reserves

a) Securities premium

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

b) General reserve

General reserve represents amount appropriated out of retained earnings pursuant to the earlier provisions of Companies Act, 1956. Mandatory transfer to general reserve is not required under the Companies Act, 2013.

c) 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.

(₹ lakh)

Note 12 Lease liabilities	As at March 31, 2025		As at March 31, 2024	
	Non-current	Current	Non-current	Current
Lease liabilities	108.50	7.00	108.58	-
	<b>108.50</b>	<b>7.00</b>	<b>108.58</b>	<b>-</b>

(₹ lakh)

Note 13 Other financial liabilities		As at March 31, 2025		As at March 31, 2024	
		Non-current	Current	Non-current	Current
i)	Employee benefits payable	-	174.98	-	176.08
ii)	Security deposits	-	204.26	-	172.93
iii)	Other liabilities (includes discount payable)	-	75.03	-	58.02
		<b>-</b>	<b>454.27</b>	<b>-</b>	<b>407.03</b>



(₹ lakh)

Note 14 Provisions	As at March 31, 2025		As at March 31, 2024	
	Non-current	Current	Non-current	Current
Provisions for compensated absences	55.68	5.29	46.40	6.43
	<b>55.68</b>	<b>5.29</b>	<b>46.40</b>	<b>6.43</b>

(₹ lakh)

Note 15 Trade payables		As at March 31, 2025	As at March 31, 2024
a)	Total outstanding dues of micro-enterprises and small enterprises (refer Note 26.12)	233.27	341.29
b)	Total outstanding dues of creditors other than micro-enterprises and small enterprises		
	i) Related party (refer Note 26.3)	240.31	171.89
	ii) Others	1,165.96	886.75
		<b>1,639.54</b>	<b>1,399.93</b>

## Trade payables ageing

(₹ lakh)

Particulars		As at March 31, 2025					Total
		Outstanding for following periods from due date of payment					
		Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
i)	MSME	233.27	-	-	-	-	233.27
ii)	Others	1,380.91	25.11	-	-	0.25	1,406.27
		<b>1,614.18</b>	<b>25.11</b>	-	-	<b>0.25</b>	<b>1,639.54</b>

(₹ lakh)

Particulars		As at March 31, 2024					Total
		Outstanding for following periods from due date of payment					
		Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
i)	MSME	341.29	-	-	-	-	341.29
ii)	Others	1,035.87	22.52	-	-	0.25	1,058.64
		<b>1,377.16</b>	<b>22.52</b>	-	-	<b>0.25</b>	<b>1,399.93</b>

(₹ lakh)

Note 16 Contract liabilities	As at March 31, 2025	As at March 31, 2024
Advance received from customers	4.16	19.85
	<b>4.16</b>	<b>19.85</b>

(₹ lakh)

Note 17 Other current liabilities	As at March 31, 2025	As at March 31, 2024
Statutory dues	85.29	58.47
	<b>85.29</b>	<b>58.47</b>

(₹ lakh)

Note 18 Revenue from operations	2024-25	2023-24
Sale of products	16,520.13	13,804.01
Scrap sales	37.24	22.06
<b>Revenue from contracts with customers</b>	<b>16,557.37</b>	<b>13,826.07</b>
<b>Other operating revenue</b>		
Commission received	92.16	99.55
	<b>16,649.53</b>	<b>13,925.62</b>

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

(₹ lakh)

Particulars	2024-25	2023-24
Contract price	16,763.79	13,987.93
Adjustment for:		
Variable consideration <sup>1</sup>	(206.42)	(161.86)
<b>Revenue from contract with customers</b>	<b>16,557.37</b>	<b>13,826.07</b>

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

(₹ lakh)

Note 19 Other income	2024-25	2023-24
Interest from inter-corporate deposits	25.99	46.23
Interest on demand deposits with banks	110.57	61.10
Liability no longer required written back	0.51	0.01
Exchange rate difference gain (net)	0.85	-
Miscellaneous income (includes customs duty received)	10.65	2.11
	<b>148.57</b>	<b>109.45</b>



(₹ lakh)

Note 20 Cost of materials consumed	2024-25	2023-24
Raw materials and packing materials consumed		
Stocks at commencement	652.99	774.33
Add: Purchases	9,391.85	7,758.16
	<b>10,044.84</b>	<b>8,532.49</b>
Less: Stocks at close	672.38	652.99
	<b>9,372.46</b>	<b>7,879.50</b>

(₹ lakh)

Note 21 Changes in inventories of finished goods and stock-in-trade	2024-25	2023-24
<b>Stocks at close</b>		
Finished goods	333.32	372.71
Stock-in-trade	52.06	72.75
	<b>385.38</b>	<b>445.46</b>
<b>Less: Stocks at commencement</b>		
Finished goods	372.71	280.65
Stock-in-trade	72.75	96.06
	<b>445.46</b>	<b>376.71</b>
(Increase)   Decrease in stocks	<b>60.08</b>	<b>(68.75)</b>

(₹ lakh)

Note 22 Employee benefit expenses	2024-25	2023-24
Salaries, wages and bonus (refer Note 26.5)	729.97	762.79
Contribution (net) to provident and other funds (refer Note 26.5)	29.58	28.89
Staff welfare	69.21	46.83
	<b>828.76</b>	<b>838.51</b>

(₹ lakh)

Note 23 Finance costs	2024-25	2023-24
Interest on income tax   GST	4.44	12.67
Interest on finance lease obligation	6.92	6.50
Interest on micro, small and medium enterprise (refer Note 26.12)	0.84	4.83
Interest on security deposits	7.19	6.28
	<b>19.39</b>	<b>30.28</b>

(₹ lakh)

Note 24 Depreciation and amortisation expenses	2024-25	2023-24
Depreciation on property, plant and equipment (refer Note 2)	48.91	49.57
Amortisation of intangible assets (refer Note 3)	5.29	2.64
	<b>54.20</b>	<b>52.21</b>

(₹ lakh)

Note 25 Other expenses	2024-25	2023-24
Power, fuel and water	37.20	35.45
Freight and cartage	27.61	3.18
Manpower services	595.49	457.65
Consumption of stores and spares	4.47	3.25
Plant operation charges	35.97	2.60
Plant and equipment repairs	28.88	7.70
Sundry repairs	11.81	15.70
Rent	65.05	62.71
Insurance	15.84	16.95
Commission	260.73	151.50
Travelling and conveyance	109.45	122.40
Auditor's remuneration <sup>1</sup>	3.65	3.65
Directors' fees	5.00	1.90
Directors' commission (other than the Executive Directors)	8.00	6.00
Loss on assets sold, discarded or demolished	-	1.28
Expenditure on Corporate Social Responsibility initiatives (refer Note 26.13)	41.00	35.00



(₹ lakh)

Note 25 Other expenses	2024-25	2023-24
Exchange rate difference loss (net)	-	8.19
Legal and professional charges	5.16	5.95
Testing analysis and inspection charges	1.83	1.93
Business promotion and development	44.66	74.62
Miscellaneous expenses	58.92	57.43
	<b>1,360.72</b>	<b>1,075.04</b>

<sup>1</sup>Details of Auditors' remuneration are as follows:

(₹ lakh)

Particulars	2024-25	2023-24
Remuneration to the Statutory Auditors		
a) Audit fees	2.30	2.30
b) Tax matters	1.35	1.35
	<b>3.65</b>	<b>3.65</b>

**Note 26.1 Contingent liabilities**

(₹ lakh)

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Claims against the Company not acknowledged as debts in respects of:</b>		
Income tax	64.25	64.25

The above matters are currently being considered by the tax authorities and the Company expects the judgement will be in its favour and has therefore, not recognised the provision in relation to these claims. Future cash outflow in respect of above will be determined only on receipt of decision pending with tax authorities. The potential undiscounted amount of total payments for taxes that the Company may be required to make if there was an adverse decision related to these disputed demands of regulators as of the end of the reporting periods are as stated above. The above excludes interest | penalty unless demanded by the authorities.

## Note 26.2 Commitments

### Capital commitments

Capital expenditure contracted for 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
<b>Estimated amount of contracts remaining to be executed and not provided for (net of advances):</b>		
Property, plant and equipment	102.50	1.95

## Note 26.3 Related party disclosures

### Note 26.3 (A) Related party information

Name of the related party and nature of relationship<sup>1</sup>

No.	Name of the related party	Description of relationship
	Party where control exists	
1.	I B Industriechemie Beteiligungs GmbH	Joint Venturer
2.	Atul Ltd	
	Other related parties with whom transactions have taken place during the year	
1.	Rudolf GmbH	Entities over which joint venturer have significant influence
2.	Atul Infotech Pvt Ltd	
3.	Atul Foundation Trust (welfare fund)	
4.	Rudolf HUB 1922 S.r.l.	
5.	Amal Speciality Chemicals Ltd	
6.	Osia Infrastructure Ltd	
7.	Atul Products Limited	
8.	Atul Foundation Health Centre	
9.	Rudolf Singapore	
10.	Rudolf Atul Chemicals Ltd Employees Group Gratuity Assurance Scheme	Post-employment benefit plan of Rudolf Atul Chemicals Ltd

<sup>1</sup>Related party relationship is as identified by the Company on the basis of information available with them and relied upon by the Auditors.





(₹ lakh)

Note 26.3 (B) Transactions with joint venturer			2024-25	2023-24
<b>a)</b>	<b>Sales and income</b>			
1.	Sale of goods		<b>28.82</b>	<b>96.11</b>
	Atul Ltd		28.82	96.11
2.	Sale of fixed assets		-	<b>44.23</b>
	Atul Ltd		-	44.23
<b>b)</b>	<b>Purchases and expenses</b>			
1.	Purchase of goods		<b>420.96</b>	<b>602.88</b>
	Atul Ltd		420.96	602.88
2.	Purchase of capital goods		<b>11.15</b>	-
	Atul Ltd		11.15	-
3.	Service charges paid		<b>559.71</b>	<b>420.30</b>
	Atul Ltd		559.71	420.30
4.	Reimbursement of expenses		<b>71.89</b>	<b>69.21</b>
	Atul Ltd		71.89	69.21
5.	Lease rent		<b>61.15</b>	<b>50.40</b>
	Atul Ltd		61.15	50.40
6.	Brand usage charges		<b>2.50</b>	<b>27.79</b>
	Atul Ltd		2.50	27.79
<b>c)</b>	<b>Other transactions</b>			
1.	Equity dividend		<b>1,751.25</b>	<b>583.75</b>
	Atul Ltd		875.63	291.88
	I B Industriechemie Beteiligungs GmbH		875.63	291.88
2.	Lease rent Paid		-	<b>20.00</b>
	Atul Ltd		-	20.00

(₹ lakh)

Outstanding balances as at year end			As at March 31, 2025	As at March 31, 2024
1.	Trade payables		<b>157.48</b>	<b>99.25</b>
	Atul Ltd		157.48	99.25
2.	Trade Receivables		<b>2.56</b>	<b>79.04</b>
	Atul Ltd		2.56	79.04
3.	Finance lease obligation		<b>115.50</b>	<b>108.58</b>
	Atul Ltd		115.50	108.58

(₹ lakh)

Note 26.3 (C) Transactions with entities over which joint venturer have significant influence			2024-25	2023-24
<b>a)</b>	<b>Sales and income</b>			
1.	Commission income		<b>92.16</b>	<b>99.55</b>
	Rudolf GmbH		92.16	99.55
2.	Interest income on inter corporate-deposits		<b>25.99</b>	<b>46.23</b>
	Amal Speciality Chemicals Ltd.		25.99	46.23
<b>b)</b>	<b>Purchases and expenses</b>			
1.	Purchase of goods		<b>2,274.13</b>	<b>1,301.37</b>
	Rudolf GmbH		2,254.13	1,300.55
	Osia Infrastructure Ltd		1.84	0.82
	Atul Products Limited		8.20	-
	Rudolf Singapore		9.96	-
2.	Business promotion and development		<b>25.50</b>	<b>26.49</b>
	Rudolf HUB 1922 S.r.l.		25.50	26.49
3.	Oracle Implementation cost (Capitalised)		-	<b>15.87</b>
	Atul Infotech Pvt Ltd		-	15.87
4.	Business Support Services		<b>15.42</b>	-
	Atul Infotech Pvt Ltd		15.42	-
5.	Reiumbursement of expense		<b>10.87</b>	<b>2.63</b>
	Rudolf GMBH		1.23	2.63
	Atul Foundation Health Centre		9.64	-



<b>c)</b>	<b>Other transactions</b>			
1.	Corporate Social Responsibility initiatives		<b>41.00</b>	<b>35.00</b>
	Atul Foundation Trust		41.00	35.00
2.	Inter-corporate deposit received back		<b>450.00</b>	<b>50.00</b>
	Amal Speciality Chemicals Ltd		450.00	50.00

(₹ lakh)

Outstanding balances as at year end			As at March 31, 2025	As at March 31, 2024
1.	Inter-corporate deposit given		-	<b>450.00</b>
	Amal Speciality Chemicals Ltd		-	450.00
2.	Trade payables		<b>82.83</b>	<b>72.63</b>
	Rudolf GmbH		79.44	72.63
	Osia Infrastructure Ltd		0.68	-
	Atul Products Limited		2.70	-
3.	Trade Receivables		<b>39.24</b>	<b>67.82</b>
	Rudolf GmbH		39.24	67.82
4.	Gratuity Fund Asset		<b>11.84</b>	<b>22.00</b>
	Rudolf Atul Chemicals Ltd Employees Group Gratuity Assurance Scheme		11.84	22.00

**Note 26.3 (D) 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 26.4 Current and deferred tax**

The major components of income tax expense for the years ended March 31, 2025, and March 31, 2024, are:

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

(₹ lakh)

Particulars		2024-25	2023-24
<b>i)</b>	<b>Current tax</b>		
	Current tax on profit for the year	909.73	713.56
	Adjustments for current tax of prior periods	5.88	138.53
	<b>Total current tax expense</b>	<b>915.61</b>	<b>852.09</b>

Particulars	2024-25	2023-24
<b>ii) Deferred tax</b>		
(Decrease)   Increase in deferred tax liabilities	1.15	(0.24)
Decrease   (Increase) in deferred tax assets	0.73	5.26
<b>Total deferred tax expense   (benefit)</b>	<b>1.88</b>	<b>5.02</b>
<b>Income tax expense</b>	<b>917.49</b>	<b>857.11</b>

**b) Income tax expenses recognised in the statement of other comprehensive income**

(₹ lakh)

Particulars	2024-25	2023-24
<b>i) Current tax</b>		
Remeasurement gain   (loss) on defined benefit plans	(1.03)	1.83
<b>Total current tax expense</b>	<b>(1.03)</b>	<b>1.83</b>
<b>Income tax expense</b>	<b>(1.03)</b>	<b>1.83</b>

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

(₹ lakh)

Particulars	2024-25	2023-24
a) Statutory income tax rate	25.17%	25.17%
b) Differences due to:		
i) Non-deductible expenses	0.33%	0.48%
ii) Tax effect due to tax incentive	-	-
iii) Others	0.29%	5.19%
<b>Effective income tax rate</b>	<b>25.79%</b>	<b>30.84%</b>

**d) Current tax assets**

(₹ lakh)

Particulars	2024-25	2023-24
Opening balance	16.93	37.24
Add: Taxes paid	925.47	831.78
Less: Current tax payable for the year	(915.61)	(852.09)
<b>Closing balance</b>	<b>26.79</b>	<b>16.93</b>



**e) Deferred tax assets (net)**

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

(₹ lakh)

Particulars	As at March 31, 2025	Charged   (Credited) to profit or loss	As at March 31, 2024	Charged   (Credited) to profit or loss	As at April 01, 2023
Property, plant and equipment	24.20	1.15	23.05	(0.24)	23.29
<b>Total deferred tax liabilities</b>	<b>24.20</b>	<b>1.15</b>	<b>23.05</b>	<b>(0.24)</b>	<b>23.29</b>
Provision for doubtful debts	(4.28)	1.52	(5.80)	1.25	(7.05)
Expenses disallowed under Section 40 (a) of the Income Tax Act, 1961	(2.99)	2.13	(5.12)	(0.57)	(4.55)
Finance lease transaction	(12.12)	(5.40)	(6.72)	4.77	(11.49)
Compensated absences	(15.35)	(2.05)	(13.30)	(4.47)	(8.83)
Provision for provident fund	(1.20)	-	(1.20)	-	(1.20)
Provision for Inventory	-	4.53	(4.53)	4.28	(8.81)
<b>Total deferred tax assets</b>	<b>(35.94)</b>	<b>0.73</b>	<b>(36.67)</b>	<b>5.26</b>	<b>(41.93)</b>
<b>Net deferred tax (assets)   liabilities</b>	<b>(11.74)</b>	<b>1.88</b>	<b>(13.62)</b>	<b>5.02</b>	<b>(18.65)</b>

**Note 26.5 Employee benefit obligations**

**Funded schemes**

**a) Defined benefit plan**

**Gratuity**

The Company operates a gratuity plan through the Atul Ltd Employees Gratuity Fund. Every employee is entitled to a benefit equivalent to the last drawn salary of 15 days for each completed year of service in line with the Payment of Gratuity Act, 1972 or the 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.

**Balance Sheet amount (Gratuity)**

(₹ lakh)

Particulars	Present value of obligation	Fair value of plan assets	Net amount
<b>As at April 01, 2023</b>	<b>72.00</b>	<b>(91.69)</b>	<b>(19.69)</b>
Current service cost	6.40	-	6.40
Interest expense   (income)	4.24	(5.69)	(1.45)
<b>Total amount recognised in profit and loss</b>	<b>10.65</b>	<b>(5.69)</b>	<b>4.96</b>

(₹ lakh)

Particulars	Present value of obligation	Fair value of plan assets	Net amount
Remeasurements			
Return on plan assets, excluding amount included in interest expense   (income)	-	1.44	1.44
(Gain )   Loss from change in demographic assumptions	(0.35)	-	(0.35)
(Gain )   Loss from change in financial assumptions	1.85	-	1.85
Experience (gains)   losses	(10.20)	-	(10.20)
<b>Total amount recognised in other comprehensive income</b>	<b>(8.71)</b>	<b>1.44</b>	<b>(7.27)</b>
Liability transferred (out) in	17.59	(17.59)	-
Benefit payments	(16.71)	16.71	-
<b>As at March 31, 2024</b>	<b>74.83</b>	<b>(96.83)</b>	<b>(22.00)</b>
Current service cost	7.64	-	7.64
Interest expense   (income)	5.38	(6.96)	(1.58)
<b>Total amount recognised in profit and loss</b>	<b>13.02</b>	<b>(6.96)</b>	<b>6.06</b>
Remeasurements			
Return on plan assets, excluding amount included in interest expense   (income)	-	1.43	1.43
(Gain )   Loss from change in demographic assumptions	2.92	-	2.92
(Gain )   Loss from change in financial assumptions	1.22	-	1.22
Experience (gains)   losses	(1.47)	-	(1.47)
<b>Total amount recognised in other comprehensive income</b>	<b>2.68</b>	<b>1.43</b>	<b>4.10</b>
Liability transferred (out) in	(0.65)	0.65	-
Benefit payments	(8.69)	8.69	-
<b>As at March 31, 2025</b>	<b>81.19</b>	<b>(93.02)</b>	<b>(11.84)</b>



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

(₹ lakh)

Particulars	As at March 31, 2025	As at March 31, 2024
Present value of funded obligations	81.19	74.83
Fair value of plan assets	(93.02)	(96.83)
<b>Deficit   (Excess) of gratuity plan</b>	<b>(11.84)</b>	<b>(22.00)</b>

### 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%
Rate of return on plan assets	6.71%	7.19%
Salary growth rate	10.07%	10.36%

### Sensitivity analysis

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

(₹ lakh)

Particulars	Change in assumptions		Impact on defined benefit obligation			
			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	As at March 31, 2025	As at March 31, 2024
Discount rate	1.00%	1.00%	(4.87)	(3.13)	5.48	3.45
Attrition rate	1.00%	1.00%	(0.92)	(0.44)	1.02	0.49
Rate of return on plan assets	1.00%	1.00%	(4.87)	(3.13)	5.48	3.45
Salary growth rate	1.00%	1.00%	4.46	2.72	(4.13)	(2.54)

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

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



Major category of plan assets are as follows:

(₹ lakh)

Particulars	As at March 31, 2025		As at March 31, 2024	
	Unquoted	in %	Unquoted	in %
<b>Investment funds</b>				
Insurance funds	75.12	81%	70.22	73%
<b>Others</b>				
Bank balance	17.90	19%	26.60	27%
<b>Total</b>	<b>93.02</b>	<b>100%</b>	<b>96.83</b>	<b>100%</b>

### Risk exposure

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

#### Interest rate risk

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

#### Salary Risk

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

#### Investment risk

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

#### Concentration risk

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

Expected contributions to post-employment benefit plans for the year ending March 31, 2026 are ₹ 8.41 Lakh

The weighted average duration of the defined benefit obligation is eight years (2023-24: six years). The expected maturity analysis of gratuity is as follows:

(₹ lakh)

Particulars	Less than a year	Between 1 - 2 years	Between 2 - 5 years	Over 5 years	Total
Defined benefit obligation (gratuity)					
As at March 31, 2025	6.73	6.95	20.80	101.87	136.35
As at March 31, 2024	16.95	8.16	21.34	64.33	110.78

### b) Defined contribution plans:

The Company pays provident fund contributions to registered provident fund administered by the government at the rate of 12% of basic salary as per regulations. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is of ₹ 16.59 Lakh (March 31, 2024: ₹ 21.53 lakh).



- c) The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. Mortality rates are obtained from the relevant data.

#### Unfunded schemes

##### d) Defined contribution plan

(₹ lakh)

Particulars		Compensated absences	
		As at March 31, 2025	As at March 31, 2024
i)	Mortality rate	Indian assured lives mortality 2012-14 (Urban)	Indian assured lives mortality 2012-14 (Urban)
ii)	Present value of unfunded obligations (refer Note 14)	60.97	52.83
iii)	Expense recognised in the Statement of Profit and Loss (including encashment paid during the year)	15.36	7.85
iv)	Discount rate (per annum)	6.71%	7.19%
v)	Salary escalation rate (per annum)	10.07%	10.36%

#### Note 26.6 Fair value measurements

##### Financial instruments by category

(₹ lakh)

Particulars		As at March 31, 2025			As at March 31, 2024		
		FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
<b>Financial assets</b>							
i)	Trade receivables	-	-	3,257.97	-	-	3,087.59
ii)	Cash and cash equivalents	-	-	3,682.03	-	-	2,152.10
iii)	Loans	-	-	-	-	-	450.00
iv)	Security and other deposits	-	-	5.69	-	-	5.69
v)	Other receivables	-	-	1.84	-	-	0.67
<b>Total financial assets</b>		-	-	<b>6,947.53</b>	-	-	<b>5,696.05</b>
<b>Financial liabilities</b>							
i)	Lease liabilities	-	-	108.50	-	-	108.58
ii)	Security deposits	-	-	204.26	-	-	172.93
iii)	Employee benefits payable	-	-	174.98	-	-	176.08
iv)	Current maturities of finance lease obligation (Refer Note 12)	-	-	7.00	-	-	-
v)	Others	-	-	75.03	-	-	58.02
vi)	Trade payables	-	-	1,639.54	-	-	1,399.93
<b>Total financial liabilities</b>		-	-	<b>2,209.31</b>	-	-	<b>1,915.54</b>

**i) Fair value hierarchy**

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are measured at amortised cost and for which fair values are disclosed in the Financial Statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the Accounting Standard. An explanation of each level follows underneath the table.

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

(₹ lakh)

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Financial liabilities</b>	<b>Carrying amount   Fair value</b>	<b>Carrying amount   Fair value</b>
Lease liabilities	115.50	108.58
<b>Total financial liabilities</b>	<b>115.50</b>	<b>108.58</b>

The carrying amounts of trade receivables, short term loan, trade payables, interest accrued but not due, borrowings, creditors for capital goods, security deposits, other short term financial liabilities and cash and cash equivalents including bank balances other than cash and cash equivalents are considered to be the same as their fair values due to the current and short term nature of such balances.

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

**Note 26.7 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 and the Audit Committee periodic information on risk profile evolution and mitigation plans.



This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

#### a) Credit risk

The Company is exposed to credit risk, which is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Credit risk arises from cash and cash equivalents, investments carried at amortised cost and deposits with banks and inter corporate deposits given, as well as credit exposures to trade | non-trade customers including outstanding receivables.

#### Management of credit risk

Based on the financial transaction, credit risk is minimised. High rated banks | institutions are accepted for placing an FD or taking a LC from customers. Customer credit limits are regularly monitored.

#### b) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. The Company funding is through initial equity contribution and its retained earnings, and the Company has not availed credit facilities from any bank or financial institution.

#### Financing

The Company has not availed any credit facilities from banks and financial institutions.

#### Management of liquidity risk

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company manages liquidity by ensuring that it will have sufficient funds to meet its liabilities when due, without incurring unacceptable losses. In doing this, the Management considers both normal and stressed conditions. A material and sustained shortfall in cash flow can undermine the credit rating and impair investor confidence of the Company.

(₹ lakh)

Contractual maturities of financial liabilities as at March 31, 2025	Note	Less than 12 months	More than 12 months	Total
Finance lease obligations	12	7.00	108.50	115.50
Security deposits	13	204.26	-	204.26
Others	13	75.03	-	75.03
Employee benefits payable	13	174.98	-	174.98
Trade payables	15	1,639.54	-	1,639.54
<b>Total financial liabilities</b>		<b>2,100.81</b>	<b>108.50</b>	<b>2,209.31</b>

(₹ lakh)

Contractual maturities of financial liabilities as at March 31, 2024	Note	Less than 12 months	More than 12 months	Total
Finance lease obligations	12	-	108.58	108.58
Security deposits	13	172.93	-	172.93
Others	13	58.02	-	58.02
Employee benefits payable	13	176.08	-	176.08
Trade payables	15	1,399.93	-	1,399.93
<b>Total financial liabilities</b>		<b>1,806.96</b>	<b>108.58</b>	<b>1,915.54</b>

**c) Foreign currency risk**

The Company exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to Euro and USD. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the functional currency (₹) of the Company. The risk is measured through a forecast of highly probable foreign currency cash flows.

The above risks may affect the income and expenses of the Company or the value of its financial instruments. The objective of management of market risk of the Company is to maintain this risk within acceptable parameters, while optimising returns. The exposure of the Company to these risks is explained below:

**Foreign currency risk exposure:**

The exposure of the Company to foreign currency risk at the end of the reporting period, is as follows:

Particulars	As at March 31, 2025				As at March 31, 2024			
	USD \$	₹ lakh	EUR €	₹ lakh	USD \$	₹ lakh	EUR €	₹ lakh
<b>Financial assets</b>								
Trade receivables	-	-	43,448.03	39.24	-	-	75,675.76	67.82
<b>Net exposure to foreign currency risk (assets)</b>	<b>-</b>	<b>-</b>	<b>43,448.03</b>	<b>39.24</b>	<b>-</b>	<b>-</b>	<b>75,675.76</b>	<b>67.82</b>
<b>Financial liabilities</b>								
Trade payables	48,640.00	42.48	83,862.10	79.44	31,860.10	26.37	80,571.70	72.63
<b>Net exposure to foreign currency risk (liabilities)</b>	<b>48,640.00</b>	<b>42.48</b>	<b>83,862.10</b>	<b>79.44</b>	<b>31,860.10</b>	<b>26.37</b>	<b>80,571.70</b>	<b>72.63</b>

**Note 26.8 Capital management**

Total equity as shown in the Balance Sheet includes general reserve, retained earnings, share capital and share premium. The Company aim to manages its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to its shareholders. The capital structure of the Company is based on judgement of management of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return on capital to shareholders or issue new shares.

The policy of the Company is to maintain a stable and strong capital structure with a focus on total equity so as to maintain confidence of various stakeholders and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

The Management monitors the return on capital as well as the level of dividends to shareholders. The goal of the Company is to continue to be able to provide return by the Company to shareholders by continuing to distribute dividends in future periods. Refer to the table below for the final and interim dividends proposed for the year, and declared and paid during the year.



(₹ lakh)

Particulars	2024-25	2023-24
<b>Dividend on equity shares declared and paid during the year</b>		
Final dividend of ₹ 30.00 per share for the year 2023-24 (2022-23 : ₹ 10.00)	1,751.25	583.75
	<b>1,751.25</b>	<b>583.75</b>
<b>Proposed dividend on equity shares not recognised as liability</b>		
Final dividend of ₹ 40.00 per share for the year 2024-25 (2023-24 : ₹ 30.00)	2,335.00	1,751.25
	<b>2,335.00</b>	<b>1,751.25</b>

Note : Proposed dividend on equity shares is subject to the approval of the shareholders of the Company at the ensuing Annual General Meeting and not recognised as liability as at the Balance Sheet date.

#### Note 26.9 Segment information

As the business activity of the Company falls within a single primary segment namely textile products (chemicals), the disclosure requirement of Ind AS - 108 'Operating Segments' notified under the Companies (Indian Accounting Standards) Rules, 2015, is not applicable.

Further, since the revenue generated and assets within India are greater than 90% of the total revenue and total assets respectively of the Company, the disclosure requirement of geographical segments as per the aforesaid Standard is not applicable.

#### Note 26.10 Earning per share

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

Particulars		2024-25	2023-24
Profit for the year attributable to the equity shareholders	₹ lakh	2,639.55	1,922.04
Weighted average number of equity shares outstanding during the year	Number	58,37,500	58,37,500
Nominal value of equity share	₹	10.00	10.00
Basic EPS	₹	45.22	32.93
Diluted EPS	₹	45.22	32.93

#### Note 26.11 Leases

##### As a Lessee

##### i) Operating lease

The Company has taken warehouse, laboratory and mumbai office under operating lease or leave and license agreements. These are cancellable by the Company, having a term between 11 months and three years and have no specific obligation for renewal. Payments are recognised in the Statement of Profit and Loss under 'Rent' in Note 25.

ii) Finance lease

a) Following are the changes in the carrying value of right to use assets

(₹ lakh)

Particulars	2024-25	2023-24
Balance at the beginning of the year	261.87	276.42
Depreciation / Amortisation	14.54	14.55
Balance at the end of the year	247.33	261.87

b) Following movement in lease liability

(₹ lakh)

Particulars	2024-25	2023-24
Balance at the beginning of the year	108.58	122.08
Finance cost occurred	6.92	6.50
Payment of lease liability	-	(20.00)
Balance at the end of the year	115.50	108.58

c) 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
Less than one year	20.00	-
One to five years	40.00	40.00
More than five years	120.00	140.00
<b>Total</b>	<b>180.00</b>	<b>180.00</b>

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Rent paid to lessor for short-term lease period is recognised into the Statement of Profit and Loss as Rent in Note 25 'Other expenses'.

Cash payments for the principal portion and interest of the lease liabilities are classified within financing activities and short-term lease payments within operating activities.




**Note 26.12 Disclosure requirement under MSMED Act, 2006**

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

(₹ lakh)

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	223.64	332.50
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	0.84	4.83
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	13.80	899.58
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	9.63	8.79
Further interest remaining due and payable for earlier years	-	-

Above disclosures have been made based on information available with the Company, for suppliers who are registered as Micro, Small and Medium Enterprise under the MSMED Act as at March 31, 2025. The Auditors have relied upon in respect of this matter.

**Note 26.13 Expenditure on Corporate Social Responsibility initiatives**

- a) Gross amount required to be spent by the Company during the year is ₹ 41 lakh (2023-24: ₹ 35 lakh)
- b) Amount spent during the year on

(₹ lakh)

Particulars		2024-25				
		Paid	Payable	shortfall	Total	Reason for shortfall
i)	Construction   acquisition of any asset	-	-	-	-	-
ii)	On purposes other than (i) above	41.00	-	-	41.00	-

(₹ lakh)

Particulars		2023-24				
		Paid	Payable	Shortfall	Total	Reason for shortfall
i)	Construction   acquisition of any asset	-	-	-	-	-
ii)	On purposes other than (i) above	35.00	-	-	35.00	-

c) Details related to spent | unspent obligations:

(₹ lakh)

Particulars		2024-25	2023-24
i)	Relief services	21.00	16.50
ii)	Infrastructure development for aanganwadi and school	11.80	18.50
iii)	Conservation of natural resources   Environment sustainability	8.20	-
		<b>41.00</b>	<b>35.00</b>

**Note 26.14 Utilisation of loans, advances and equity investment in entities**

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding that the intermediary shall:

- a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the group (ultimate beneficiaries) or
- b) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The Company has not received any funds from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or
- b) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

**Note 26.15 Ratios**

No.	Ratio	UoM	Formula (refer below table for numerator and denominator details)	As at March 31, 2025	As at March 31, 2024	Variance	Reason for variance
01.	Current ratio	Times	A ÷ B	3.66	3.43	6.69%	Below threshold of 25%
02.	Debt-equity ratio	Times	I ÷ H	NA	NA	NA	



No.	Ratio	UoM	Formula (refer below table for numerator and denominator details)	As at March 31, 2025	As at March 31, 2024	Variance	Reason for variance
03.	Debt service coverage ratio	Times	$Q \div (J + M)$	NA	NA	NA	
04.	Return on equity ratio	%	$P \div \text{average of H}$	45.06%	40.52%	11.20%	Below threshold of 25%
05.	Inventory turnover ratio	Times	$L \div \text{average of D}$	15.32	12.27	24.85%	Below threshold of 25%
06.	Trade receivables turnover ratio	Times	$L \div \text{average of E}$	5.21	4.76	9.40%	Below threshold of 25%
07.	Trade payables turnover ratio	Times	$(R+S) \div \text{average of G}$	8.13	6.86	18.48%	Below threshold of 25%
08.	Net capital turnover ratio	Times	$L \div \text{average of C}$	3.17	3.61	(12.19%)	Below threshold of 25%
09.	Net profit ratio	%	$P \div L$	15.98%	13.92%	14.75%	Higher capacity utilisation and change in product-mix
10.	Return on capital employed	%	$(M + O) \div \text{average of K}$	61.38%	59.85%	2.56%	Higher capacity utilisation and change in product-mix
11.	Return on investment	%	$(M + O) \div \text{average of F}$	44.37%	41.33%	7.34%	Higher capacity utilisation and change in product-mix

No.	Base values	UoM	Reference	As at March 31, 2025	As at March 31, 2024
A	Current assets	₹ lakh	Balance Sheet (current assets)	8,026.31	6,482.02
B	Current liabilities	₹ lakh	Balance Sheet (current liabilities)	2,195.55	1,891.71
C	Working capital	₹ lakh	A-B	5,830.76	4,590.31
D	Inventories	₹ lakh	Balance Sheet (Note 6)	1,057.76	1,098.45
E	Trade receivables	₹ lakh	Balance Sheet (Note 7)	3,257.97	3,087.59
F	Total assets	₹ lakh	Balance Sheet (total assets)	8,659.97	7,461.70

No.	Base values	UoM	Reference	As at March 31, 2025	As at March 31, 2024
G	Trade payables	₹ lakh	Balance Sheet (Note 15)	1,639.54	1,399.93
H	Equity	₹ lakh	Balance Sheet (Note 10+11)	6,300.24	5,415.01
I	Debt	₹ lakh	Balance Sheet	-	-
J	Principal repayments	₹ lakh	Balance Sheet	-	-
K	Capital employed	₹ lakh	H + I - deferred tax assets (Note 26.4) - capital work-in-progress (Note 2)	6,252.40	5,400.92
L	Net sales	₹ lakh	Statement of Profit and Loss (Note 18, sales of products and services only)	16,520.13	13,804.01
M	Finance cost	₹ lakh	Statement of Profit and Loss (Note 23)	19.39	30.28
N	Depreciation	₹ lakh	Statement of Profit and Loss (Note 2 + Note 3)	54.20	52.21
O	Profit before tax	₹ lakh	Statement of Profit and Loss	3,557.04	2,779.15
P	Profit after tax	₹ lakh	Statement of Profit and Loss	2,639.55	1,922.04
Q	Net operating income	₹ lakh	M + N + P	2,713.14	2,004.53
R	Total operating purchase	₹ lakh	Purchase of raw material and stock in trade (Note 20) + other expenses (Note 25)	12,298.02	10,282.33
S	Capital purchase	₹ lakh	Addition in capital work-in-progress (Note 2)	52.33	15.20

#### Note 26.16 Relationship with stuck off companies

The Company did not have any material transactions with companies struck off under Section 248 of the Companies Act, 2013 | Section 560 of Companies Act, 1956 during the financial year.

#### Note 26.17 Other statutory information (required by schedule III to the Companies Act, 2013)

- The Company has not entered into any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- The Company has complied with the number of layers prescribed under Clause (87) of Section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.
- The Company is not declared wilful defaulter by any bank or financial institution or other lender.
- The Company has not traded or invested in crypto currency or virtual currency during the financial year.



- e) The Company has not revalued its property, plant and equipment (including right of use assets) or intangible assets or both during the year.
- f) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made there under.
- g) No loans or advances in the nature of loans are granted to promoters, Directors, key managerial personnel and the related parties (as defined under Companies Act, 2013) either severally or jointly with any other person.
- h) The Company does not have any charges or satisfaction of charges which is yet to be registered with Registrar of Companies beyond the statutory period.

#### Note 26.18 Rounding off

Figure less than ₹ 500 have been shown as '0.00' in the relevant notes in this Financial Statement.

#### Note 26.19 Authorisation for issue of the Financial Statements

The Financial Statements were authorised for issue by the Board of Directors on April 22, 2025.

In terms of our report attached

For and on behalf of the Board of Directors

**For Deloitte Haskins & Sells LLP**  
Chartered Accountants

Wolfgang Schumann  
(DIN: 01995827)  
**Chairman**

Ketan Vora  
**Partner**  
Membership number: 100459  
Mumbai  
April 22, 2025

Rajas Khaladkar  
**Chief Financial Officer**  
Rakesh Pathak  
**Company Secretary**

Tejas Shukla  
(DIN: 10309971)  
**Managing Director**  
Atul  
April 22, 2025

## Notes

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## Notes

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## Notes

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## Corporate information

### Directors

**Dr Wolfgang Schumann**  
(Chairman)

**Mr Tejas Shukla**  
(Managing Director)

**Dr Oliver Kusterle**

**Mr Gopi Kannan Thirukonda**

**Mr Sudhir Merchant**

**Mr Sujal Shah**

### Chief Financial Officer

**Mr Rajas Khaladkar**

### Company Secretary

**Mr Rakesh Pathak**

---

### Auditors

Deloitte Haskins & Sells LLP

### Registered office

B | 18598, Survey number 33  
Atul 396 020, Gujarat  
India

### Bankers

Axis Bank  
State Bank of India

E-mail address: [rac\\_l\\_legal@atul.co.in](mailto:rac_l_legal@atul.co.in)

Website: [www.rac.co.in](http://www.rac.co.in)

**Rudolf Atul Chemicals Ltd**

**Atul 396 020, Gujarat**

**India**

**[www.racl.co.in](http://www.racl.co.in)**