



सशक्त **Kissan**  
समृद्ध **Bharat**

Annual Report **2023-24**

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### Forward looking statement

Some information in this report may contain forward-looking statements. We have based these forward-looking statements on our current beliefs, expectations and intentions as to facts, actions and events that will or may occur in the future. Such statements are identified by forward-looking words such as “believe,” “plan,” “anticipate,” “continue,” “estimate,” “expect,” “may,” “will” or other similar words. A forwardlooking statement may include a statement of the assumptions or basis underlying the forward-looking statement. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution you that forward-looking statements and assumed facts or bases almost always vary from actual results, and the differences between the results implied by the forward-looking statements and assumed facts or bases and actual results can be material, depending on the circumstances.

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## 290-306 Notice of 27th AGM



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# सशक्त Kissan समृद्ध Bharat

At Insecticides (India) Limited (IIL), We own the responsibility of empowering the farming community. We aim to live our credo of fostering *'Sashakt Kissan and Samridh Bharat'*, leveraging our rich legacy coupled with an insight into the future and a deep commitment to the present. Supported by one of the largest distribution networks comparable to those of established FMCG players, our pan-India coverage enables us to cater to small and marginal farmer effectively. Our innovative product range provides solutions to all crops across geographies and harness the power of technology to deliver comprehensive solutions to farmers. To further educate farmers about the benefits and the safe and judicious use of crop protection and nutrition products, we have deployed aggressive 360-degree marketing campaigns led by our experienced team. These campaigns enhance our visibility across all mediums, expanding reach and improving our impact.

One of the most loved brand of the farmers pan India for more than three decades, our **TRACTOR BRAND** is trusted by the farming community across all geographies. Further, our strategically located manufacturing units ensures on-time product supply, promptly meeting farmers' needs. Over the years, we have established a track record of converting farming requirements into milestone products that deliver multiple times the return to farmers. From sowing to harvesting, we stand with farmers, every step of the way to ensure that they have the requisite knowledge to succeed—thereby, contributing to a prosperous and empowered agricultural community in India.

**At IIL, we are striving hard to contribute towards Samridh Bharat by minimising crop loss and ensuring food security for the growing population. Recognising agriculture as the backbone of the economy, we bring the latest technology to farmers, empowering them to use modern methods and increase their profitability.**



# Empowering farmers, Prospering India

We offer a wide range of crop protection and nutrition products, including fungicides, insecticides, herbicides, biologicals and Plant Growth Regulators (PGRs). Our expanded biological offerings are designed to promote sustainable growth. Our specialised products offer effective crop protection for all the major crops, establishing us as a comprehensive solution provider.



51

Insecticides



34

Herbicides



13

Fungicides



11

Biologicals

## Premium Products



13

Focus  
Maharatna



27

Maharatna



# Voice of Sashakt Kisan



We are associated with Tractor Brand Products for more than 10 years now and are benefited with the same as we get new technology products every year for our paddy crop.

**S. Janakiraman**

Village – Thirubuvanam,  
Dist. Thanjavur, Tamilnadu



I am a chilli growing farmer of about 10 acres. Every year to protect chilli crop, IIL Tractor Brand is having full crop solution portfolio, by using Tractor Brand products my income became double. My special thanks to the company for their support.

**Battula Venkata Reddy**

Village. Madinapadu  
Mandal. - Dachehalli  
District. - Palandu  
State: Andhra Pradesh



I am a farmer from western UP, with 16 acres of land where I grow crops like paddy, sugarcane, wheat and vegetables. I am using IIL's products for more than 20 years for all my crop protection requirements and with the advice of the IIL doctors my crop yield has increased and my income has also multiplied.

**Karunanidhi Kaushik**

Village – Lalpur Dist.  
Hapur, Uttar Pradesh



I am doing farming in 36 acres of soybean, redgram, bengal gram and cotton for last 15 years, I came to know about the IIL company from a friend who was using Tractor Brand products of IIL from last 5 years, he advised me to meet the IIL advisor, and on meeting him I realised that IIL has got complete solution for my crops and all the leading brands.

**Ajinkya Band**

At. Kharwadi Tahsil-Chandur Bazar,  
District –Amravati  
Maharashtra



I am a chilli farmer from Nimar region of MP. I will only like to mention that Shinwa is the best product for control of sucking pest in Chilli, and Shinwa has the best control over various types of lepidopteran pest. I have been using other products, but after I came to know about Shinwa three years back, I am using only Shinwa.

**Bhagvan Sejgaya**

Vill. Baruth, Dist.- Khargaon, MP

# A Trust of Over Three Decades

For more than three decades, Tractor Brand has forged a strong relationship with Indian farmers. Tractor Brand's mantra has always been to introduce next-generation agricultural practices that boost yield and increase farmer's income. Through innovative and sustainable solutions, we have contributed towards revolutionising Indian agriculture. Today, IIL's Tractor Brand is a symbol of success for our farmers and a source of national pride.

**DESH Ki SHAN**  
**KISAN Ki PEHCHAN**

Trust | Innovation | Convenience



1986

Tractor Brand, initially



2003

Acquisition of Tractor Brand on March 10th, 2003



2013

Improvement in visual appeal by bringing it in color



2016

Enhancement in visual appeal

The top most colour of the circular band around Tractor Brand logo rotates as per the category of the offering. We launched an anthem for Tractor Brand, aiming to showcase and popularise both the brand and our diverse product range. Tractor Brand Anthem

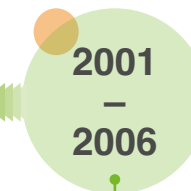
has been featured in the Best Ads. Our campaign highlights IIL's Tractor Brand products and their significant contributions to enhancing crop yield and farmers' economic development.

# An Enduring Journey of Growth and Transformation



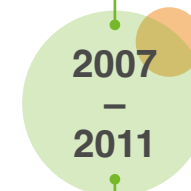
## Foundation

- > A legacy of entrepreneurship spanning over three generations
- > Strategic acquisitions of 'Tractor Brand' and other brands
- > Long Term Relationship with the Channel Partners
- > Setting up formulation Manufacturing at Chopanki, Rajasthan & Samba, J&K and Research Facilities



## Expansion

- > Setting up of technical synthesis plant at Chopanki, Rajasthan & Dahej, Gujarat
- > Setting up of formulation plant at Udhampur, J&K & Dahej, Gujarat
- > Expanded Pan India Distribution network
- > Focused on expanding product basket, building brand equity and farmer connect
- > Listed on the Indian Stock Exchange



## Innovation & Scaling

- > Introduced Value added products from Research as well as International tie-ups with the launch of patented 9(3) products & biologicals
- > Tie-up with NISSAN, Japan & MOMENTIVE, USA
- > Commenced R&D centre in JV with OAT Agrio, Japan for innovation
- > Industry milestone by manufacturing technical & formulation for Bispyribac Sodium (Green Label)



## End-to-End Solutions

- > Comprehensive product portfolio including patented new chemistries & innovative solutions
- > Presence across 22 countries. Setting up of EoU
- > Expansion at Chopanki & Dahej plant for technical and formulation
- > Digital connect with the team, Channel partners and farmers with 'IIL 360'



# Message from the Chairman's Desk




**‘Sashakt Kissan – Samridh Bharat’ - Our Vision to be the farmer’s first choice for sustainable agriculture drives our mission to empower them with effective solutions for crop protection, plant nutrition and soil health..**


**Mr. H. C. Aggarwal**  
Chairman

## Dear Fellow Shareholders,

At Insecticides (India) Limited we believe that businesses must have a purpose beyond profitability. This has enabled us to build a future-ready organisation that thrives on the core values of Affinity, Ethics, Responsibility and Pioneering.

As we step into another fiscal year, it gives me great pleasure to share our performance during the year gone by. We have resiliently overcome challenges in the operating landscape and nurtured our quest for sustainability.

‘Sashakt Kissan – Samridh Bharat’ - Our Vision to be the farmer’s first choice for sustainable agriculture drives our

mission to empower them with effective solutions for crop protection, plant nutrition and soil health. Our accessible brands and ever-expanding crop solution portfolio is helping farmers to increase their productivity. As one of the leading companies in the crop protection and nutrition industry, we truly believe in nurturing a better future for the farming community by helping them to increase their income and benefit the agriculture sector of the nation as a whole.

Keeping innovation as the cornerstone of our product development strategy, we are expanding our portfolio with a focus on challenges faced by farmers. It has also enabled us to develop

new-age products for crop care and resulted in the integration of the 5Rs : Reduce, Recycle, Reuse, Reprocess, and Renewables, within our operations to minimise our environmental impact and fulfil the growing demand for eco-friendly solutions.

We remain committed to ‘empowering farmers’ for achieving the nation’s goal of ‘Samridh Bharat’.

## Performance overview

Our FY24 performance demonstrated strong growth and resilience. We achieved a 9% revenue increase with net profit of ₹102 crores, representing

62% year-on-year growth. This comes on the back of our focus on product mix optimisation and cost efficiencies. Our premium Maharatna range of products were key drivers, validating our efforts to prioritise innovative products. Although FY24 remained challenging amid geopolitical conflicts, inventory corrections and demand challenges, we believe focused efforts from the government to improve farmer’s income has greatly benefitted the agriculture sector in India.

Our integrated business model has been a key differentiator in our path to progress. We maintained a continuous feedback loop with farmers, to consistently use their inputs while initiating new product developments. This farmer-centric approach has effectively guided our R&D efforts and product development initiatives. We strive to create a robust value chain that aligns our offerings with real-world agricultural challenges, promoting sustainable growth and customer loyalty.

Our comprehensive product portfolio and robust infrastructure underpin our market position. With multiple patents and an innovation-driven portfolio coupled with the popularity of our ‘Tractor Brand’ positions us as a beacon of trust, innovation and convenience for millions of farmers across the country.

## Focused on Sustainability

We consider environmental stewardship and social responsibility a core concern. To minimise our ecological footprint, we have resorted to energy-efficient manufacturing processes. We have started the adoption of renewable energy, including solar power, to take small steps towards a sustainable future.

We are equally vocal about community development. Through the IIL Foundation, our CSR wing, we have initiated Project Vidhya to improve educational infrastructure. This project has provided various facilities to government schools and colleges at different locations. These initiatives have helped to empower communities and improved the standard of life for many.

To promote sustainable agricultural practices, we have expanded our Farmer Awareness Project, running for the past few years. This includes initiatives like farmer training programmes and field demonstrations across villages. By showcasing the benefits of latest technologies, we aim to enhance farm productivity, create a positive impact on the agricultural community and promote responsible use of our products.

Since our inception, we have relied on our people-centric culture to attract talent, to enrich our teams with experienced professionals who are committed to placing the farmer’s interest first and delivering service with Excellence and Integrity.

## IIL Next – Rural FMCG

IIL has a unique business model, with 69% of sales coming from brand sales, similar to FMCG. We focus on leveraging our umbrella ‘Tractor Brand’, to fortify and scale other power brands, drive premiumisation and personalisation to meet diverse farmer needs. We remain committed to innovation and product development through in house R&D capabilities and partnership with global collaborators.

With focus on R&D, combined with our agile product launch strategy,

we are positioned to seize emerging market opportunities. As India gains prominence as a preferred supplier in the global agrochemical market, we are well-positioned to leverage export opportunities to further diversify our revenue streams and enhance long-term growth prospects.

**“We remain deeply committed to improve access to innovative crop protection solutions in India to ensure the health and security of India’s agriculture.”**

Adding strength to our experienced leadership team, I am pleased to welcome seasoned and accomplished banker Mr. Shyam Lal Bansal along with Mr. Supratim Bandyopadhyay, who served as MD & CEO of LIC Pension Fund, as Independent Directors on our Board.

In conclusion, I would like to extend my heartfelt gratitude to our shareholders and stakeholders for their constant support and encouragement. We remain determined to take your Company to newer heights of success and contribute towards a sustainable tomorrow.

Regards,

**H. C. Aggarwal**  
Chairman

# Conversation with the Managing Director



As we gear up for the next chapter of our growth journey, we are uniquely positioned with a portfolio of differentiating brands and innovative solutions, to generate substantial value for our stakeholders. With confidence and optimism I would like to assert that our journey of Sashakt Kisan and Samridh Bharat will pave the way for a new era in the Indian farming sector.

**Mr. Rajesh Kumar Aggarwal**  
Managing Director

## Can you elaborate on the foundation of IIL and its brand journey?

Nearly five decades ago, our founder embarked on a journey that prioritised the farmer's need and laid emphasis on improving farming technology in India. What began as a distribution Company has now transformed into India's leading manufacturer of crop protection and nutrition products. The foundation of this growth lies in our deep understanding of farmers, the channel partners, the market, strong work ethics and the trust earned along the way. We have nurtured a culture and capabilities that continually adapt to India's evolving farming needs. Our strategic brand acquisitions and international collaborations have resulted in valuable farmer connects that provide us the strength to build a promising future for our stakeholders.

## How was the financial performance of the Company during the year?

In FY24, we navigated a challenging macroeconomic environment by focusing on key strategic thrusts - growing our Core Portfolio of Maharatna products and strengthening our future leadership. We have successfully strengthened our gross margins post the price destruction observed globally, through our unmissable Brand Equity and operational excellence. Our consolidated revenue from operations reached INR 1,966 crores, marking a 9% year-on-year growth. The PAT increased by 62% to INR 102 crores. This translated to a 170 basis points expansion in PAT margin. Our ROCE & ROE improved to 12.9% and 10.6% from 8.9% and 7.1%, respectively and debt-to-equity ratio from 0.18 time to 0.09 times, demonstrating the strength of our financial performance. We have also optimised working capital from 169 to 150 days and reduced inventory, despite top-line growth.

## What are the operational highlights for the Company during FY24?

In our premium product portfolio of Focus Maharatna and Maharatna, we led significant transformation across our iconic brands with improvement of products, packaging and aggressive communication. We advanced on our journey, shifting our product portfolio from volume-based to value-based sales. Our focus lies on leveraging our strengths in the B2C segment to navigate complexities in the B2B domain and export markets to drive overall business growth. Our B2C business witnessed 11% growth in FY24 and now constitutes 69% of our total sales. A focus on premium products portfolio of 'Maharatna' yielded impressive results with a 27% growth, accounting for 59% of the B2C revenue. Despite challenges in the B2B and export segments, which comprise

26% and 5% of our sales respectively, we maintained a balanced product portfolio across insecticides, herbicides, fungicides and PGRs and biologicals.

New product launches in the previous year contributed INR50 crores, while products introduced in the last five years added over INR500 crores to our revenue. This success validates our focus on innovative, high-value products that are designed to meet market demands.

Our product portfolio comprises a wide range of solutions for different kinds of crops. We have built a strong herbicide line-up for key crops like sugarcane, paddy, maize, Soybean, cotton and wheat.

## Give us an overview of the industry and the Company's plans to capitalise on emerging opportunities.

The agrochemical industry faced headwinds due to El Nino, disrupting normal monsoons and agriculture in particular. We anticipate a strong year ahead, driven by positive market sentiment and expectations of normal monsoons. Leaving behind issues related to high-cost inventory, we are setting the stage for margin growth. Beyond our domestic focus, we anticipate strong export growth as India emerges as a preferred supplier of agri-input products.

We continue to lay emphasis on innovating and expanding our product range. Our R&D team is developing new-generation molecules and formulations, with a particular focus on mixture products. We plan to launch six new products in the current year. With a strong pipeline of innovative solutions, we expect to sustain our growth trajectory in the days ahead. Looking ahead, we are enhancing our manufacturing capabilities to meet the growing demand. Our Chopanki plant expansion is complete and it is fully functional. The Dahej plant is also ready for action, awaiting final clearance to start operations in its newly developed facilities.

This is expected to enhance backward integration, reduce import dependence and facilitate the introduction of new active ingredients.

The establishment of a new facility in Sotanala, Rajasthan, along with capacity expansion in Gujarat has led to increased production volumes and greater market reach. We have been working tirelessly to strengthen the operational and logistic vertical of the Company. With our plants and 28 depots strategically located pan India, we are able to cater to the demands of customers from different geographies and significantly minimise the lead time. We have engaged famous Bollywood actor Ajay Devgn as our brand ambassador to improve brand equity and maximise our reach. Our CRM system facilitates stronger relationships with channel partners and facilitates targeted sales efforts. It fosters direct connections between the Company and distributors, retailers, farmers, to create a robust ecosystem.

Engaging and interacting with the channel partners has become pivotal to our strategy. It has helped us to understand challenges and improve our offerings in accordance with their feedback. We make sure to touch base with them during conferences and tours with our elite channel partner clubs. It not only strengthens our relationship with channel partners but also empowers us to improve services for farmers.

## What are your plans for introducing sustainable solutions in India?

We have collaborated with renowned global players and secured a Joint Venture with OAT Agrio, Japan for establishing an invention R&D centre. These partnerships have enabled us to bring world class technology to Indian farmers. Our collaboration with Nissan Chemical Corporation, Japan, which started in 2012 has already enabled us to introduce more than six products and develop a rich pipeline of products for the future. Consequently, we have increased investments in our team through continuous training and development programmes. Our distribution network now comprises 680+ sales and marketing team and 700+ crop advisors spread across India.

## What is the broad blueprint for the next few years?

We see a compelling opportunity in India's agrochemical sector. Our focus on the domestic market allows us to capitalise on emerging opportunities. Moreover, favourable policies to aid farmers and government initiatives aimed at doubling farmer income has created a fertile ground for our business expansion.

IIL now focuses on building future-ready brands that are capable of addressing challenges associated with pest and disease dynamics with a rich pipeline of products.

A three-horizon growth strategy has been envisioned to take IIL to the next level.

- By improving the leadership of the core Maharatna product portfolio, we expect to uncover its immense potential for growth and higher margins.
- Introduction and scaling up of newer solutions for the future, with R&D as the primary growth vector.
- Focus on brand equity and farmer engagement.

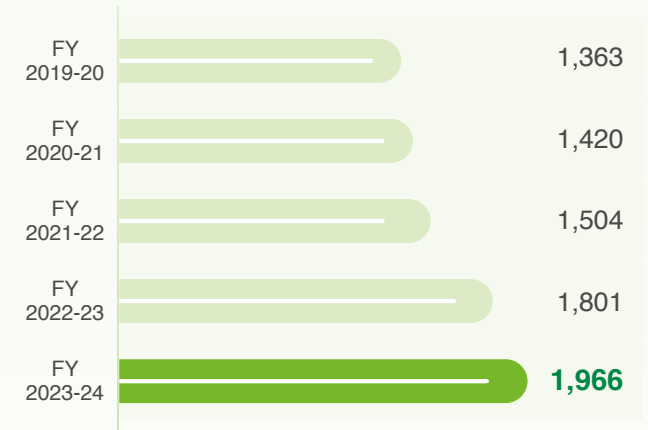
## What is the message you would like to pass on to shareholders?

Leveraging the dedication, experience and the expertise of our team, we remain committed to innovation, execution and responsible business practices to ensure steady business success. Simultaneously, we are actively nurturing partnerships and affiliations to strengthen our foothold in the market and expand the scope of our operation.

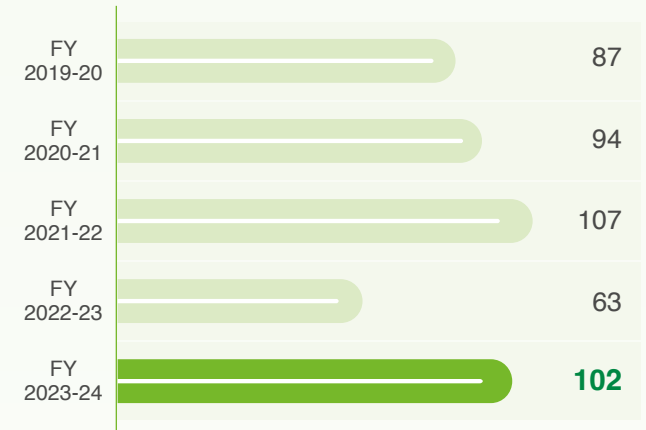
With an unwavering commitment to farmer's satisfaction, we are adopting newer technologies, expanding our portfolio of world-class products and relying on our innovative approach to drive up our growth trajectory. This strategic move is expected to yield substantial value for our stakeholders and partners. With unwavering confidence and a sense of optimism, I affirm our commitment to a purposeful journey of Sashakt Kissan and Samridh Bharat to ensure future readiness and strengthen the foundation for a greener future.

# Sustaining Financial Strength

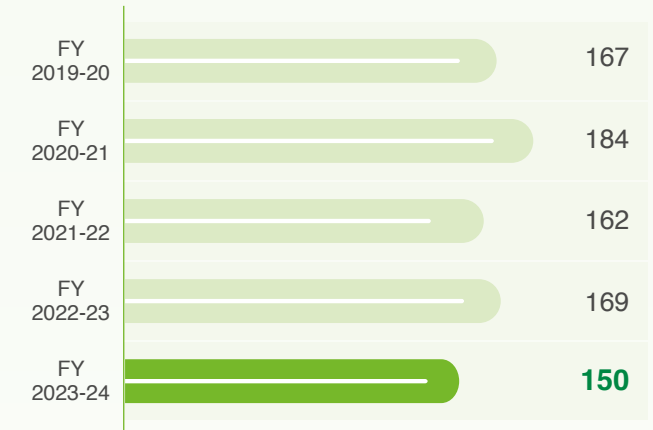
**Revenue**  
(INR Crore) **1,966**



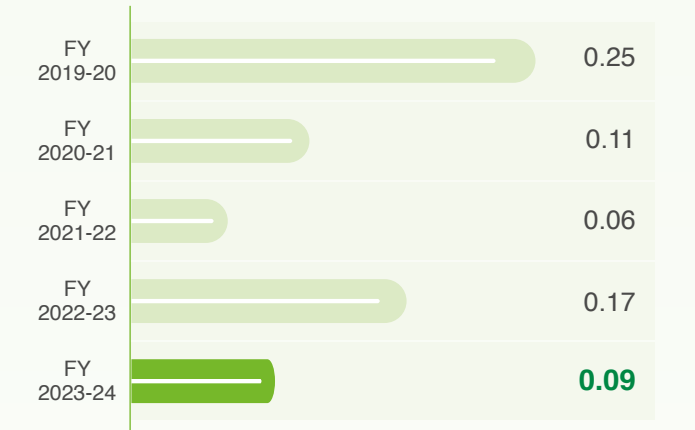
**PAT**  
(INR Crore) **102**



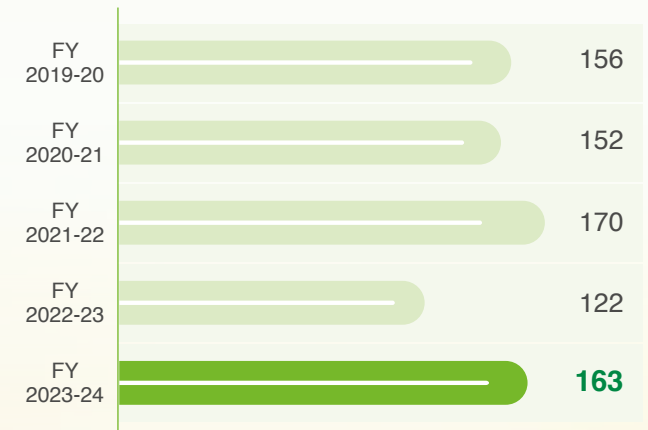
**Net Working Capital**  
(Days) **150**



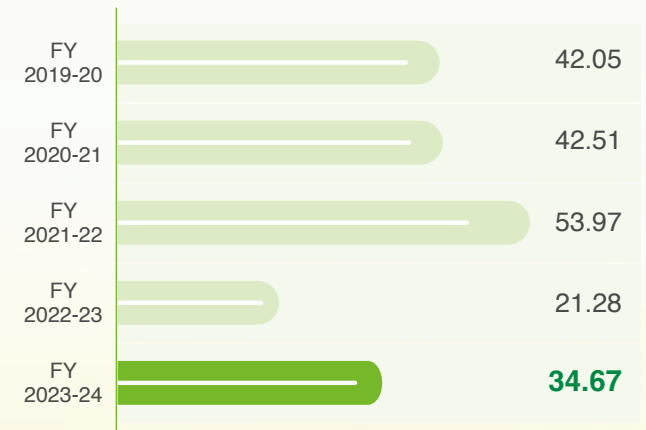
**Debt-Equity Ratio**  
(Times) **0.09**



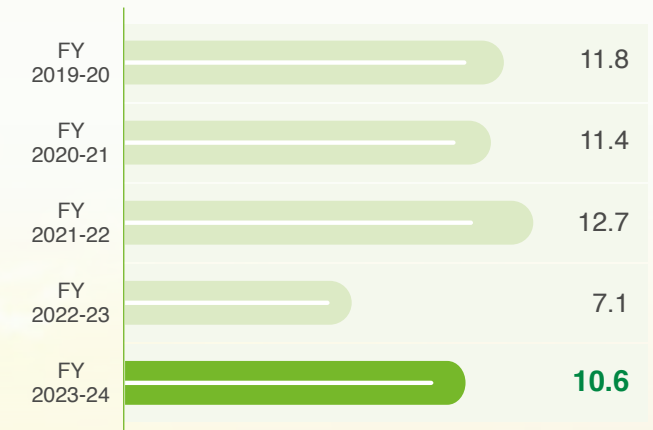
**EBIDTA**  
(INR Crore) **163**



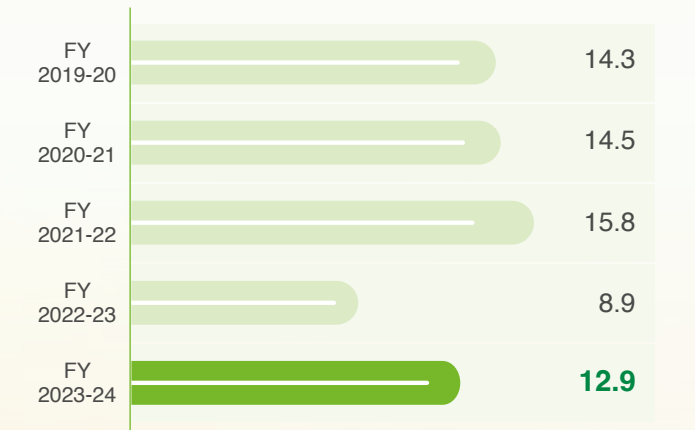
**Earnings Per Share**  
(INR) **34.67**



**ROE**  
(%) **10.6**

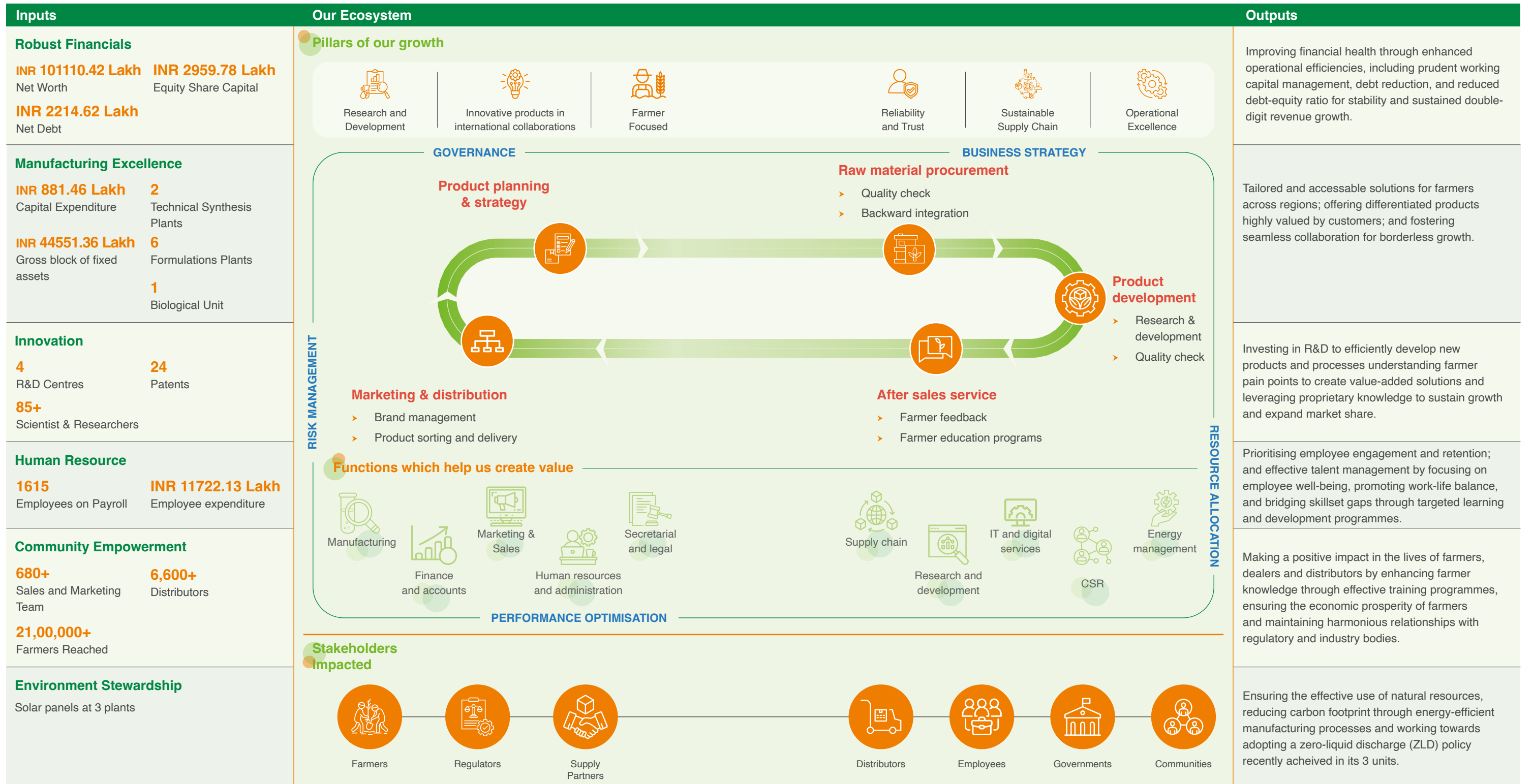


**ROCE**  
(%) **12.9**





# Integrated Model



## Industry-Leading Brands



**7Lakh+\***

acres treated

Nissan, Japan, launched a patented novel insecticide in 2022 with co-exclusive marketing rights for India, achieving a top 5 ranking in its category and offering efficacy across 6 crops.



**12Lakh+\***

acres treated

IIL collaborated with Nissan, Japan to develop a patented herbicide launched in 2021, quickly establishing itself among the top 5 brands in its category.



**6Lakh+\***

acres treated

The 'Make in India' product, launched in 2022, has quickly become one of the top 5 brands in the maize herbicide category.



**10Lakh+\***

acres treated

The 'Make in India' product, launched in 2023, achieved recognition as one of the top 3 brands in its category in its debut year.



**72Lakh+\***

acres treated

Acquired by IIL in 2003, this 32-year-old brand is renowned as the most popular insecticide and largest-selling termiticide, now extended to include five products.



**13Lakh+\***

acres treated

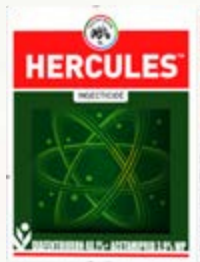
A product from Nissan, Japan, launched in 2012 with exclusive marketing rights in India, has secured the top position as the number one brand in its category.



**25Lakh+\***

acres treated

The 'Make in India' product, launched in 2016, rose to become the second-largest brand in the paddy herbicide category.



**11Lakh+\***

acres treated

IIL introduced an insecticide in 2018 that quickly became one of the top 10 brands in its category.

\*acres treated in FY24

## Collaboration & tie-ups to bring world's technology to Indian Farmers



**Nissan Chemical CORPORATION**

Japan

We have engaged in marketing partnerships and technical collaborations for speciality products, including PULSOR, HAKAMA, KUNOICHI, HACHIMAN, SHINWA and IZUKI

**MOMENTIVE™**

USA

We partnered with MOMENTIVE Performance Materials Inc., USA, to offer AGROSPRED MAX, a silicone-based super spreader

**OAT Agrio Co., Ltd.**

Japan

We collaborated with OAT Agrio Co., Ltd., Japan, to introduce specialised products CHAPERONE and TADAAKI

**OAT Agrio Co., Ltd.**

Japan

OAT & IIL India Laboratories Pvt. Ltd.

We established a joint venture for a dedicated R&D centre in India to develop new agrochemicals

# Driving Innovation for Sustainable Solutions

At IIL, we undertake focused R&D to develop new technologies and create new products. This approach enables us to stay ahead of the curve by catering to evolving customer needs. Our efforts include new formulation products, quality efficiency, process optimisation, developing new combination products, and technical process improvements. These ensure that our offerings remain at the forefront of industry standards and meet the high expectations of our customers.

## Innovative Products Launches in FY 24



85+

Scientists & Researchers

24

Total Patents Granted

5

Patents in FY2023-24

21

Patents pending

4

Research & Development Centres

4

NABL accredited QA Labs

### Did you know ?

**National Good Laboratory Practice (GLP) Compliance Monitoring Authority**  
Department of Science & Technology, Government of India

Our R&D centre at Chopanki was the IIL's first centre that has received the prestigious GLP (Good Laboratory Practice) compliance certification from the National GLP Compliance Monitoring Authority (NGCMA), Department of Science & Technology (DST), Government of India.



We have developed comprehensive internal capabilities, spanning from lab-scale production of new products to their commercialisation by scaling up development processes at our state-of-the-art R&D facilities. Our team of highly skilled subject matter experts is dedicated to creating specialised crop protection solutions.

### State-of-the-art R&D centres

Established in 2005, our first in-house R&D Centre marked the beginning of our journey. Today we have four distinct R&D Centres across different streams.



Chopanki



Dahej



Biologicals



OAT & IIL Chopanki



#### Synthesis R&D

This division prioritises backward integration, process development for new molecules and optimisation. It enhances efficiency and innovation in chemical synthesis.



#### Formulation R&D

Here, the focus is on creating advanced formulations, synergistic combinations and optimising costs while ensuring products are environment-friendly and meet customer needs.



#### Biological R&D

Equipped with bio-assay capabilities, this division innovates bio-pesticides, fertilisers and nanotechnology products, advancing agricultural and environmental solutions through cutting-edge biological R&D.



#### Innovation R&D

A unique initiative of product discovery in India by forming a JV with Japanese company, OAT Agrio Co. Ltd. which is equipped with the latest machines and equipments like GC-MS, LC-MSMS, NMR and led by the internationally renowned scientists with more than 25 years of experience.

# Growing with farmers Since Inception

At IIL, we have fortified our stance as one of the prominent manufacturers and solution provider in the arena of crop protection & Nutrition products in India. We prioritise innovation and accessibility in our crop protection solutions, ensuring that all farmers, regardless of size or resources, can benefit from our solutions. Our commitment to serving the agricultural community drives us to continually develop and provide effective solutions to cater to their diverse needs.

**23+**  
Years of Excellence

**2**  
Technical synthesis plants

**1,600+**  
Team IIL

**1\***  
Biological plant

**24**  
Granted Patents

**4**  
R&D centres

**6**  
Manufacturing units

\*Under toll arrangement



# Our Unique Farmer Centric Business Model



> **Continuous feedback**

By conducting regular sessions with farmers, we solicit and comprehend their challenges and needs, ensuring their insights shape our innovations.

> **R&D**

Creating solutions grounded in real-world feedback, with a focus on sustainability and efficiency.

> **Product Development and Testing**

Performing experiments on farms, refining processes based on feedback from farmers.

> **Quality Manufacturing**

Creating superior products in advanced facilities, following sustainable methods.

> **Sales and Support**

Accessible brands, thorough farmer training and comprehensive after-sales support.

# Fostering Agri-Connectivity

Our extensive distribution network enables us to reach every corner of India, ensuring our products are accessible to farmers nationwide. We boast as one of the largest marketing and sales team in the industry, dedicated to exploring new geographies and expanding our footprint. This extensive presence allows us to maintain a strong connection with the agricultural community, ensuring that our innovative solutions are available where they are needed most.

**680+**

Sales & Marketing team

**700+**

Crop advisors

**6,600+**

Distributor Connect

**70,000+**

Dealer and Retailer Connect

**21,00,000+**

Farmers reach



**Responsible value chain**

At IIL, we acknowledge the pivotal role of our suppliers in our success. Through open communication and mutual understanding, we build strong, trust-based relationships with them. We emphasise local sourcing to minimise costs and environmental impact, while our long-term partnerships with local vendors enable us to better align with market needs.



**Product safety and transparency**

Farmers are key stakeholders and ensuring their well-being is our foremost priority. Through stringent quality control measures, we ensure that our products meet safety and quality standards and are labelled with essential usage information. Our marketing initiatives, comprising awareness campaigns and training programmes, promote responsible agricultural practices for safe and sustainable product use.

# Targeted Engagement with the Farming Community

Our success hinges on our capacity to effectively engage and support farmers, positioning ourselves as a trusted partner in their journey towards sustainable agriculture. Through focused branding endeavours, we have solidified our reputation as a forward-thinking industry leader committed to meeting the evolving needs of farmers worldwide.



### Outdoor Campaign

Advertising on outdoor, buses and vans to reach rural areas



### Electronic Campaign

Aggressive media plan for TV and Radio campaign to increase visibility



### Digital Campaign

taking the message to larger audience digitally



### Farmer Contact

connecting with farmers directly to make them aware and educate

# Targeted Engagement with the Farming Community

## Celebrity collaboration and Brand Ambassador

Our collaboration with Bollywood icon Mr Ajay Devgan as Brand Ambassador has significantly elevated our brand's profile. Mr Devgan's endorsement has not only brought widespread attention to our products but has also reinforced their unique attributes in the minds of our customers. This partnership enhanced our brand visibility and credibility, capturing the essence of our offerings through his influential persona.



## Educating farmers

During the year under review, our marketing and sales team conducted farmer meetings, demonstrations and hosted field days, enabling farmers to experience and learn about our products firsthand. This hands-on approach proved effective in raising product awareness and engagement among the farming community.



## Customer-centric approach

We provide farmers with a comprehensive, solution-oriented experience that goes beyond just delivering products. Our seamless integration of high-quality products and exceptional service guarantees that every interaction with our brand enhances the customer's journey.



## Insecticides Jaroori hai Campaign

We launched the 'Insecticides Jaroori Hai' campaign on popular social media platforms such as Facebook and YouTube, focusing on farmer welfare. This programme provided farmers with access to affordable, research-based products and techniques. The platform offered reliable farming information and practical solutions to the challenges faced by farmers. Through 'Insecticides Jaroori Hai,' the IIL Foundation supported farmers and encouraged the adoption of sustainable agriculture practices.

## Integrated marketing communications

Our marketing strategy integrates seamlessly across both traditional and digital platforms, ensuring a cohesive and impactful brand presence. By leveraging the power of integrated marketing communications, we have successfully created a socially relevant brand image. This integrated approach reflects our agility in adapting to evolving consumer behaviours and preferences.



## Outlook



As we navigate challenges and opportunities in the dynamic agricultural sector, we remain steadfast in our motto of upholding excellence and driving meaningful change across every aspect of our operations.



# Manufacturing Prowess

At IIL, we operate world-class manufacturing facilities strategically located across India. With two technical synthesis plants and six formulation plants, we produce a diverse range of technicals and have one of the largest fully-automated formulation facilities in the country. Our rigorous quality control systems ensure top-quality products with minimal human intervention.

## Manufacturing Capabilities

**30,900** KLPA  
Liquid

**24,770** MTPA  
Powder

**15,800** MTPA  
Active ingredient and Bulk

**80,750** MTPA  
Granules

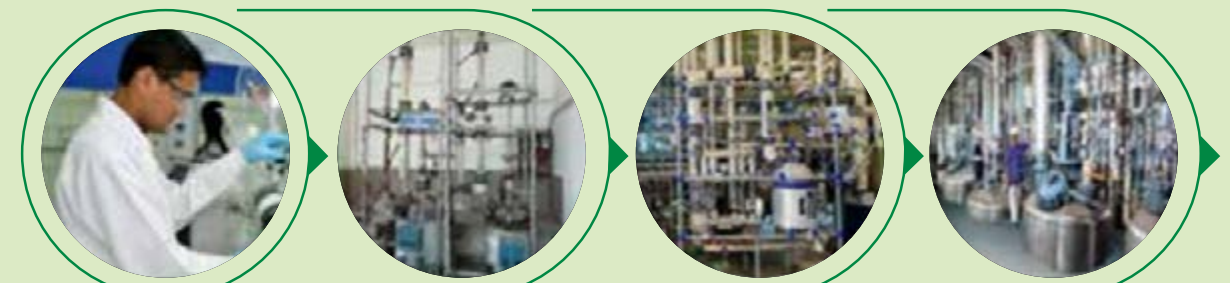
**100%**  
Export-oriented Formulation plant in SEZ area



## Backward Integration

We have invested significantly in our manufacturing facilities, leveraging backward integration. Our journey has been marked by establishing extensive in-house capabilities that cover every aspect of product development. From conceiving new ideas in advanced laboratories to refining processes in state-of-the-art pilot plants, we ensure our innovations come to fruition. Our ultimate objective is to seamlessly convert ideas into market-ready products through effective commercialisation.

### In House capability from Research to Commercialization



Lab scale gram level

Kilo lab

Pilot plant scale

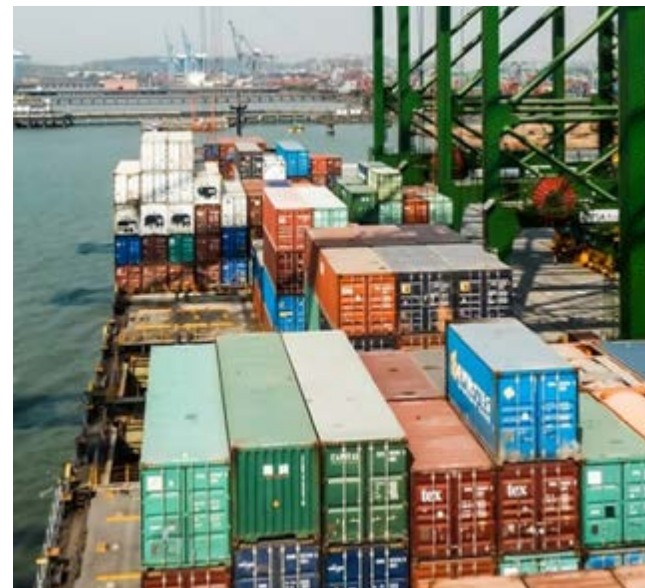
Commercial scale



# Emerging opportunities in Exports

**In FY24, we strengthened our global footprint in 22 countries, prioritising the expansion of our product portfolio and advancements in formulation technologies. Our commitment to innovation and sustainability is evident through enhancements at our SEZ facility, enabling us to offer state-of-the-art solutions tailored to global farming requirements.**

Despite challenges such as liquidity issues and geopolitical tensions affecting material acceptance and freight movement, we recorded a 17% volume growth. Our proactive approach entails foraying into new markets and mitigating risks associated with inflation and currency fluctuations. This positions us favourably for continued expansion in the upcoming year. We build on our strong manufacturing and R&D capabilities to navigate market challenges adeptly.



Did you know?

**We were honoured by FICCI and the Ministry of Chemicals and Fertilisers with the Exports Excellence Award in 2023.**

**22**

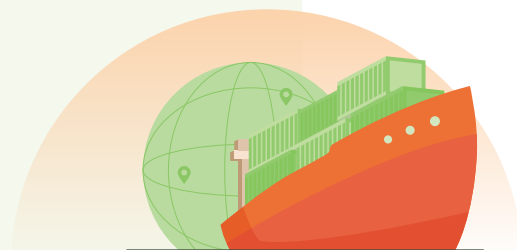
Countries presence

**162**

International Registrations Received

**17%**

Volume growth



# Spotlight on our Biological business

We believe that Chemical and biologicals will co-exist in the ecosystem. We started developing biological products for sustainable agriculture with an increasing emphasis on eco-friendliness. We offer innovative products, created at our advanced in-house biological R&D centres, featuring modern microbiological and biochemical facilities. Our goal is to provide farmers with efficient solutions for healthy soil, robust crops, and high yields.



**42 Lakh+**

Acres Treated by Biological in FY24

## Products



We have established a dedicated Research and Development Centre for Biological Solutions that leverages cutting-edge technologies to innovate next-gen bioproducts, integrating microbiology, biochemistry and nanobiotechnology. Our R&D team develops advanced bio-based technologies to advance sustainable agriculture. Looking to the potential in domestic as well as the international markets, we have set up a subsidiary company, IIL Biologicals.



# Catalysing Responsible Progress

We take a multifaceted approach to creating value for our stakeholders. This entails maintaining a persistent emphasis on environmental stewardship, community development and sound corporate governance.




# Environment

As a responsible corporate entity, we are committed to minimizing our environmental footprint by improving operational efficiencies and promoting biodiversity through annual tree plantation drives. Our dedication to reducing carbon emissions, energy and water consumption and waste generation is at the core of our sustainability efforts.

Dedicated to preserving ecological balance and adopting sustainable practices, we work diligently to ensure optimum resource utilisation.

**30%**  
Green Belt attained

**Certifications**



ISO 9001:2015

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ISO 14001:2015

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ISO 45001:2018

## Energy management

We integrate solar power to reduce electricity consumption, supporting sustainable practices. This initiative reflects our commitment to environmental stewardship by leveraging renewable energy sources. We use natural gas, biomass, furnace oil and grid electricity to meet our energy needs.

**3**  
Plants having solar panels



## Water management

We have set up a zero liquid discharge (ZLD) system in three plants namely Chopanki, Udhampur and Samba. These enable us to treat and recycle the water used in our manufacturing and domestic operations, preventing any discharge of wastewater into the environment. Domestic effluents undergo treatment in a sewage treatment plant and are reused for gardening, while industrial effluents are processed in an effluent treatment plant.

**3**  
Zero Liquid Discharge Plants

**32%**  
Water is discharged after treatment out of total volume of water withdrawal i.e. 73,369.70 KL



## Waste management

We prioritise waste reduction across all streams, employing focused management practices to minimise environmental impact and disposal costs. All waste is managed in compliance with local regulations, either properly disposed of or sent to authorised recyclers. Hazardous waste is handled by certified third-party agencies approved by the State Pollution Control Board for recycling or incineration.

**1279.70 MT**  
Successful disposal of hazardous waste



# Social

We acknowledge our responsibility to address pressing social challenges while enabling inclusive growth in the communities in which we operate. We aim to build lasting relationships with these communities and create a positive impact through our initiatives. Our holistic approach to CSR not only meets the needs of these communities but also helps them become self-sufficient and prosperous.

## INR 247.07 Lakh

CSR Spend in FY 24

### Farmers' empowerment

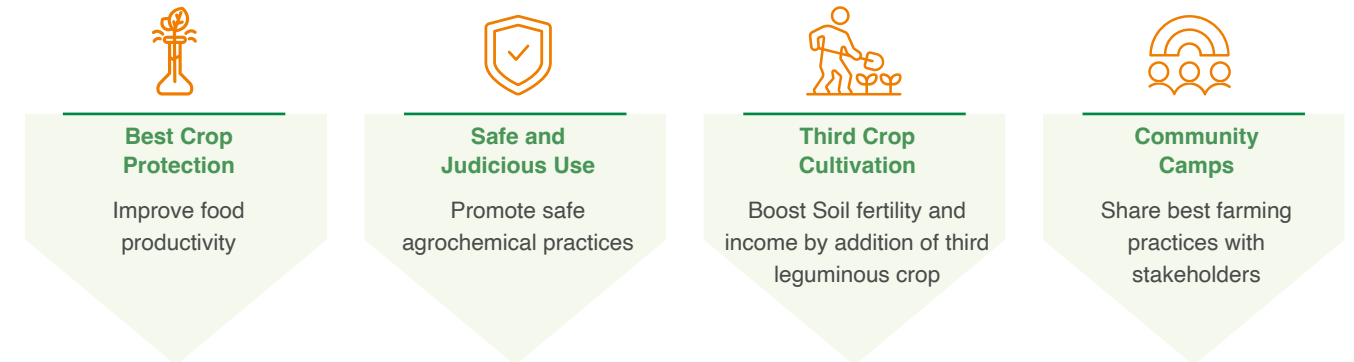
At IIL, we prioritise sustainable agriculture and farmers' empowerment. Our 'Sahi ka mantra' approach ensures the proper use of crop care products. We educate farmers through one-on-one meetings, street gatherings and awareness videos, promoting responsible practices and enhancing their skills for informed decisions, benefiting both farmers and the environment.

#### Kisan Jagrukta Abhiyaan

Through our flagship programme, the Kisaan Jagrukta Abhiyaan, we provide farmers with the essential knowledge on the safe and effective use of crop protection and nutrition products. Our team of agricultural experts actively engages with farmers, sharing best practices.



### Educating farmers for sustainable agriculture



### Farmer awareness project



### Widening access to education

#### Project Vidhya

The IIL Foundation, under Project Vidhya, has revitalised student life at Rajkiya Uchhmadhyamik Vidhyalaya, Jodiamev. The project provides new classroom furniture and has established a computer lab, significantly enhancing the educational environment and resources available to students.

We address basic health and sanitation needs by installing toilets at Rajkiya Uchhmadhyamik Vidhyalaya, Tapukhera. This initiative aims to improve both educational and living conditions, ensuring that students have access to essential facilities that promote their overall well-being.

## 5000+

Students benefitted

# Awards and Recognition

## IIL clinches Duel Honour at PMFAI Agrochem Awards in Dubai.

IIL has been recognised yet again with two most prestigious awards, **Outstanding Innovation in Crop Solutions & Social Responsibility Excellence Award** for large-scale companies at the PMFAI AGCHEM AWARDS held at PMFAI Conference in Dubai. Hon'ble MD, Mr Sanskar Aggarwal, EVP and Mr Shrikant Satwe, VP - IB received the awards at a glittering function attended by the stalwarts of the industry.



Outstanding Innovation Awards, 2024



Shiksha Bhushan Award

### Shining brightly by sharing knowledge

The IIL Foundation has been anointed with the **Shiksha Bhushan Award** by the Education Department of the Rajasthan Government for its tremendous role in supporting the government schools of Alwar region. Dr. Mukesh Kumar, AVP - R&D from Chopanki Unit received the award on behalf of IIL Foundation.

## Double Honors at the CHALO RURAL AWARDS and CONCLAVE IN MUMBAI

We are delighted to announce our two-fold triumph at the Chalo Rural India Awards and Conclave, hosted in Mumbai to honor outstanding achievements in rural advertising and marketing. The first award was bestowed upon us for our stellar celebrity-led campaign; Mil Kar Nibhaiyege Zimmedari; featuring Ajay Devgan. The second accolade recognized our innovative use of a brand song for rural marketing for our Tractor Brand Anthem. These prestigious awards were presented during a grand ceremony at Westin Goregaon, Mumbai.



Innovative Use of Brand Song Award

# Board of Directors



**Mr. H.C. Aggarwal**  
Chairman



**Mr. Rajesh Kumar Aggarwal**  
Managing Director



**Mrs. Nikunj Aggarwal**  
Whole Time Director



**Mr. Anil Kumar Goyal**  
Whole Time Director



**Mrs. Praveen Gupta**  
Independent Director



**Mr. Anil Kumar Bhatia**  
Independent Director



**Mr. Shyam Lal Bansal**  
Independent Director



**Mr. Supratim Bandyopadhyay**  
Independent Director

# Corporate Information

## Board of Directors

### Hari Chand Aggarwal

Chairman and Whole-time Director (DIN:00577015)

### Rajesh Kumar Aggarwal

Managing Director (DIN:00576872)

### Nikunj Aggarwal

Whole-time Director (DIN:06569091)

### Anil Kumar Goyal

Whole Time Director (DIN: 09707818)

### Virjesh Kumar Gupta\*

Independent Director (DIN:06382540)

### Navin Shah\*

Independent Director (DIN:02701860)

### Praveen Gupta

Independent Women Director (DIN: 00180678)

### Anil Kumar Bhatia

Independent Director (DIN: 09707921)

### Shyam Lal Bansal\*\*

Independent Director (DIN: 02910086)

### Supritam Bandyopadhyay\*\*

Independent Director (DIN: 03558215)

## Executive Officers

### Sandeep Kumar Aggarwal

Chief Financial Officer

### Sandeep Kumar

Company Secretary & Chief Compliance Officer

## Company's Registered & Corporate Office

401-402, Lusa Tower, Azadpur Commercial Complex, Delhi – 110033  
 CIN: L65991DL1996PLC083909

Website: www.insecticidesindia.com

e-mail id: investor@insecticidesindia.com

## Registrar & Transfer Agent

### Alankit Assignments Ltd. Reg. Off:

205-208, Anarkali Complex, Jhandewalan Extension, New Delhi – 110055

### Corporate Office:

Alankit House, 4E/2 Jhandewalan Extension, New Delhi-110055

## Board Committees\*

### Audit Committee

Mrs. Praveen Gupta, Chairperson  
 Mr. Anil Kumar Bhatia  
 Mr. Shyam Lal Bansal  
 Mr. Supratim Bandyopadhyay  
 Mr. Virjesh Kumar Gupta

### Nomination, Remuneration and Ethics Committee

Mr. Supratim Bandyopadhyay, Chairperson  
 Mrs. Praveen Gupta  
 Mr. Shyam Lal Bansal  
 Mr. Navin Shah  
 Mr. Virjesh Kumar Gupta

### Stakeholders Relationship Committee

Mr. Virjesh Kumar Gupta, Chairperson  
 Mrs. Praveen Gupta  
 Mr. Anil Kumar Bhatia  
 Mr. Supratim Bandyopadhyay  
 Mr. Navin Shah

### Corporate Social Responsibility and Sustainability Committee

Mr. Hari Chand Aggarwal, Chairperson  
 Mr. Shyam Lal Bansal  
 Mr. Rajesh Kumar Aggarwal  
 Mr. Virjesh Kumar Gupta

### Risk Management Committee

Mr. Shyam Lal Bansal, Chairperson  
 Mr. Anil Kumar Bhatia  
 Mr. Rajesh Kumar Aggarwal

## Statutory Auditors (Joint)

### M/s Devesh Parekh & Co.

Chartered Accountants, Delhi

### M/s SS Kothari Mehta & Co., LLP

Chartered Accountants, Delhi

## Secretarial Auditors

### M/s Akash Gupta & Associates

Company Secretary, Delhi

## Internal Auditors

### M/s Aditi Gupta & Associates

Chartered Accountants, Delhi

## Cost Auditors

### M/s Aggarwal Ashwani K. & Associates

Cost Accountants, Delhi

## Bankers

ICICI Bank Ltd.  
 Citi Bank N.A.  
 HDFC Bank Ltd.  
 HSBC Ltd.

## Plant Locations

### Rajasthan

- E – 442-443-444, RIICO Industrial Area, Chopanki, (Bhiwadi) – 301707 (Rajasthan)
- E-439-440, RIICO Industrial Area, Chopanki, (Bhiwadi) – 301 707 (Rajasthan)

### Jammu and Kashmir

- SIDCO Industrial Growth Centre, Samba – 184 121 (J&K)
- II D Centre, BattalBallian, Udhampur – 182 101 (J&K)

### Gujarat

- CH-21, GIDC Industrial Estate, Dahej, Dist. Bharuch –392 130 (Gujarat)
- Plot No. Z/50, Dahej Industrial Area, SEZ Part-1, Dahej, Tal. Vagra, Dist. Bharuch, 392130 (Gujarat)

1. \*Ceased to be an Independent Director on completion of their Second term w.e.f May 30, 2024.

2. \*\*Shyam Lal Bansal & Supratim Bandyopadhyay has been appointed as an Independent Director of Company w.e.f February 05, 2024.

3. # Board Committees has been reconstituted w.e.f March 26, 2024 in pursuance to changes made at point no. 1 & 2 above. Further details are given in Corporate Governance Report.

# MANAGEMENT DISCUSSION AND ANALYSIS

## Global economy

### Overview

The global economy displayed signs of recovery from geopolitical concerns, elevated inflation levels and tight monetary policy. In CY 2023, the global GDP expanded by an estimated 3.2%<sup>1</sup>. In addition to this, the global inflation level fell from 6.8 in CY 2022 to 5.9 in CY 2024. This decline in the global inflation level was facilitated by the fall in the global energy price and tight monetary policies. Additionally, the growth in the emerging market and developing economies was 4.3%, on the other hand, the advanced economies grew by 1.6% in the reported year.

The US economy displayed resilience due to strong consumer and government spending, along with a rebound in international trade. This resulted in a growth rate of 2.5%<sup>2</sup>. The European Union faced numerous challenges, with uneven growth across

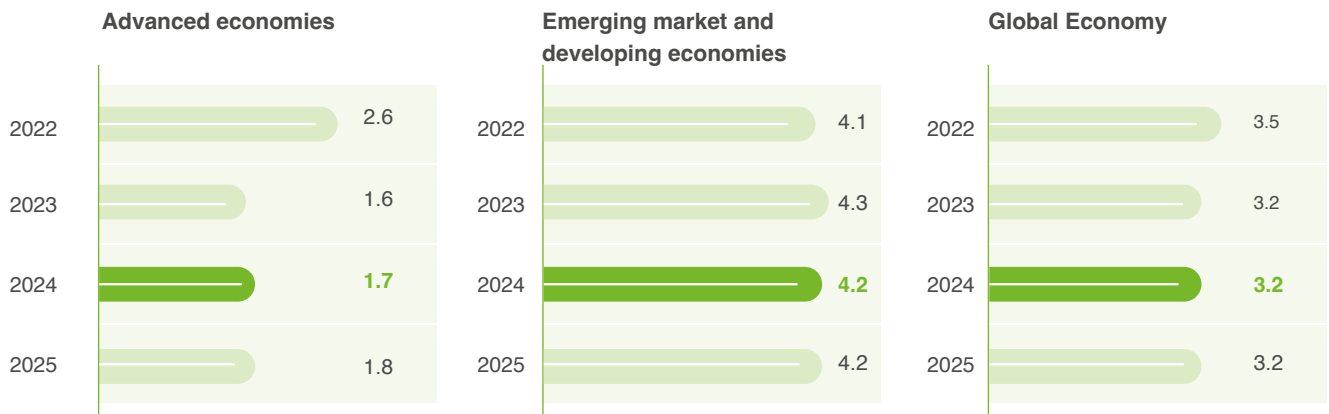
member states. Nonetheless, the EU as a whole saw modest growth, while the Euro area successfully avoided a recession.

China's recovery was also slower, with a growth rate of approximately 5.2%<sup>3</sup>. It was impacted by difficulties in the property sector and subdued consumer confidence. In contrast, emerging markets like India, Vietnam and Mexico benefited from diverse economic strategies and foreign investments. This has led to positive growth trajectories.

### Outlook

The global economy is projected to maintain a steady growth rate in CY 2024. While this growth may be modest compared to some historical periods, inflation is expected to continue declining. This suggests a potential 'soft-landing' scenario, where the economy avoids recession or major instability. Major central banks are preparing to ease monetary policy this easing reflects confidence in successfully managing inflation, adding to a cautiously optimistic outlook for CY 2024.

### World economic outlook April 2024 growth projections (Real GDP Growth, Percent change)



Source: IMF, World Economic Outlook, April, 2024

### Inflation rate, average consumer prices (Annual % change)

Ratios	2022	2023	2024	2025*	2026*
Advanced economies	7.3	4.6	2.6	2	2
Emerging market and developing economies	9.8	8.3	8.3	6.2	4.9
World	8.7	6.8	5.9	4.5	3.7

\*projected

<sup>1</sup>World Economic Outlook, April 2024: Steady but Slow: Resilience amid Divergence (imf.org)

<sup>2</sup>World Economic Outlook, April 2024: Steady but Slow: Resilience amid Divergence (imf.org)

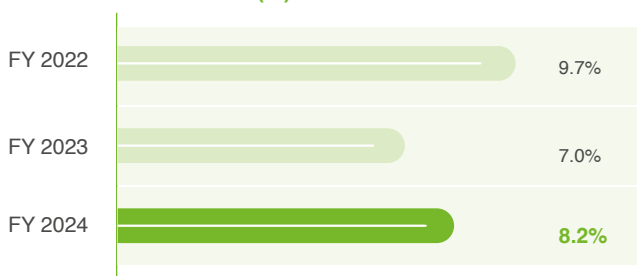
<sup>3</sup>World Economic Outlook, April 2024: Steady but Slow: Resilience amid Divergence (imf.org)

## Indian economy

### Overview

Despite a sluggish global economy, India remained one of the world's fastest-growing economies. Markets experienced volatility as geopolitical turmoil intensified, aggressive interest rate hikes by the US Fed occurred, and the global outlook deteriorated, dampening investor sentiment. Despite pressure from the foreign exchange market and portfolio withdrawals, Indian equity markets saw a slight increase in trading. This resilience reflects the robust economy and the increasing investments by local organisations. Forecasts by the National Statistical Office indicate that India achieved a real GDP growth of 8.2% during FY2024.

### India GDP Growth rate (%)

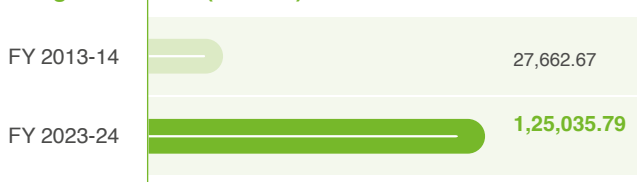


(Source: PIB Press Release, May 2024)

The current account deficit was manageable at 1.2% of GDP during April-December 2023-24, a decrease from the previous year. Foreign Direct Investment also stayed strong at \$59.9 billion during April-January 2023-24, signalling an ongoing investor confidence. External commercial borrowings also rebounded, with net inflows of \$3.7 billion during April-February 2023-24, offering additional financing options for industries. Moreover, the external debt/GDP ratio also decreased to 18.7% by end-December 2023 and the net International Investment position to GDP ratio improved to -10.8%, indicating a bolstering of the country's external position.

### Growth in the budget allocation in the Indian agriculture sector over the last 10 years

#### Budget allocation (in crore)



Source: PIB

### Outlook

Many high-performance indicators have shown strong growth in the Indian economy. Along with increased capex deployment by the government, strong tax revenue collections, burgeoning domestic demand and increasing capacity utilisation across sectors as well as the booming food industry, have all helped strengthen economic activity. Additionally, stable repo rates, government bond yields and healthy foreign exchange reserves indicate macroeconomic stability in the near term.

An above-normal rain has been forecast by the Indian Meteorological Department, (IMD) during the June to September monsoon. It is expected to boost the prospects of a bountiful agricultural harvest. This, in turn, is likely to ease inflationary pressures and bolster economic growth.

The agricultural sector is estimated to contribute 18 per cent to India's Gross Value Added (GVA) in FY24. It serves as the cornerstone of the nation's economy. Despite facing challenges stemming from the global health crisis and fluctuating climate conditions, the sector has exhibited remarkable resilience. It has also been pivotal in India's economic rebound and progress.

In FY23, total food grain production reached 329.7 million metric tons. This indicated a significant increase of 14.1 million metric tons compared to the previous year. Key agricultural commodities like rice, wheat, pulses, coarse cereals and oilseeds experienced notable production gains, showcasing India's global dominance as the largest producer of milk, pulses and spices globally.

India also holds the status of the second-largest producer of fruits, vegetables, tea, farmed fish, sugarcane, wheat, rice, cotton and sugar. The horticulture sector achieved a milestone with production reaching 355.25 million metric tons. According to third-party advance estimates, this marks the highest ever output in Indian horticultural history. The sector has shown an improved performance. This is evident in the substantial surge in agricultural exports, which soared to ₹4.2 lakh crore in FY23, surpassing previous records. With ample opportunities and conducive policy frameworks, Indian farmers have demonstrated their capacity to meet global food demands. The potential for further growth remains significant<sup>4</sup>.

<sup>4</sup><https://pib.gov.in/PressNoteDetails.aspx?NotelId=151859&ModuleId=3>



## Industry Overview

### Global agricultural industry

In recent years, global agriculture has experienced a profound transformation. It is driven by technological advancements and increased global engagement. Despite its evolution, agriculture remains the second-largest employer worldwide, following the services sector. The combined value-added generated by agriculture, forestry and fishing industries experienced significant growth, increasing by a huge per cent in real terms. Notably, China, India and the United States of America emerged as the leading nations in terms of value-added in the agriculture, forestry and fishing sectors.

As the global population is estimated to reach 10 billion by 2050, there is an imperative to significantly increase food production. This requires a greater reliance on technology-driven agriculture. As expanding land resources remains unlikely, the future of farming will experience the adoption of advanced systems, accompanied by a demand for improved planting materials, modern machinery, agro-processing equipment, soil health products, enhanced infrastructure and innovative value chain models.

India is one of the key agricultural players and is poised to actively engage in global food and agro trade. With Indian institutions offering expertise and collaboration on a global scale, it has emerged as a gateway to numerous Asian countries and the entire African continent. India's share in global trade remains modest at 2%, despite its 8% contribution to the world's food production.

### Indian agricultural industry

India stands as a prominent player in the global agriculture sector. It serves as the primary source of livelihood for approximately 55% of its population. The country has several remarkable agricultural achievements, including having the world's largest cattle herd (buffaloes) and the largest planted area for crops such as wheat, rice and cotton.

Additionally, the country holds the title of being the largest producer of milk, pulses and spices globally and ranks second in the production of fruits, vegetables, tea, farmed fish, cotton, sugarcane, wheat, rice and sugar. India ranks second globally in terms of being the largest agricultural land. The agricultural sector in the country, provides employment for nearly half of the country's population, highlighting the pivotal role of farmers in ensuring our sustenance.

In FY24, the Indian agricultural industry reached a size of INR 90,215.8 billion and is expected to reach a valuation of INR 227,059.9 billion by FY33. This growth is also expected to display a compound annual growth rate (CAGR) of 10.5% during the period of 2024-2032<sup>6</sup>.

Several key factors act as growth drivers for the industry such as shifting dietary habits among the population, rapid population growth, changing weather patterns, increased occurrences of natural disasters and favourable technological advancements. Notably, advancements such as precision farming, data analytics, drones and automation also play a significant role in propelling the Indian agriculture market forward.

### Key budget announcements for the Indian agriculture industry

Announcement	Description
Approximately a budget of ₹1,27,470 crore is allocated for agriculture in India's Interim budget 2024-25.	Acknowledging the importance of agriculture, the interim union budget has allocated Rs 1,27,469.88 crore for the Ministry of Agriculture. Within this allocation, Rs 1,17,528.79 crore is designated for the Department of Agriculture, while the Department of Agricultural Research and Education (DARE) has received Rs 9,941.09 crore.
₹20 lakh crore agriculture credit target	In the Interim Budget 2024-2025, the agriculture credit target was elevated to Rs 20 lakh crore, highlighting the commitment to farmer welfare. The continuation of funding is ensured for the Agriculture Accelerator Fund, introduced in the Budget 2023-24. It is aimed at aiding rural entrepreneurs and Agri-startups. Its objective is to provide innovative solutions to farmers' challenges and modernise agricultural practices to improve productivity and profitability. The PM Kisan Samman Nidhi budget allocation remains unchanged at Rs 60,000 crore, sustaining direct financial assistance to farmers. This scheme is poised to benefit 11.8 crore marginal and small-scale farmers.

<sup>6</sup><https://www.imarogroup.com/agriculture-industry-in-india>

Announcement	Description
Funds allocated for the ongoing implementation of PMFBY	<p>Acknowledging the challenges encountered by farmers, the Pradhan Mantri Fasal Bima Yojana (PMFBY) consistently receives funding for its ongoing implementation.</p> <p>This crop insurance initiative aims to offer security to four crore farmers, shielding them from unexpected events such as adverse weather conditions.</p> <p>The Government is also dedicated to improving the efficacy of crop insurance by creating awareness and accessibility in rural regions. This endeavour is expected to stimulate growth within the insurance sector.</p>
Integration of 1361 mandis into e-NAM	<p>The Indian agricultural markets are experiencing a digital revolution, evident in the increased integration of mandis with the e-NAM platform.</p> <p>The electronic National Agricultural Market (e-NAM), operating nationwide, serves as a trading portal, amalgamating State-run Agricultural Produce Marketing Committees (APMCs) and mandis. The interim budget devises plans to integrate 1,361 mandis, aiming to boost trading volumes to Rs 3 lakh crore by 2024-2025, benefiting 1.8 crore farmers.</p> <p>This initiative marks a notable stride toward establishing a more efficient and transparent agricultural market ecosystem.</p>
Addressing post-harvest losses with public-private partnerships to improve infra and storage facilities	<p>India faces a significant challenge of post-harvest losses, losing a decent per cent of its fruits, vegetables and other crops, including oilseeds and spices, from harvest to consumption, resulting in huge losses.</p> <p>To address this critical issue, the budget underscores the importance of building public-private partnerships to improve infrastructure and storage facilities. Mitigation of these losses can strengthen India's food security and drive overall economic growth.</p> <p>The Government of India intends to encourage both public and private investments in aggregation, procurement, modern storage, as well as branding and marketing under the PM-Formalisation of Micro Food Processing Enterprises scheme, aimed at fortifying the micro-processing sector.</p>
Atmanirbhar Oil seeds Abhiyan for self-sufficiency and food security	<p>Edible oil, a crucial ingredient in Indian households, is predominantly imported, with annual imports surpassing Rs 1.5 trillion, posing a significant risk to our food security.</p> <p>The Atmanirbhar Oil Seeds Abhiyan initiative aims to address this issue by promoting research and development of indigenous oilseeds such as groundnut and mustard. The initiative will also concentrate on research aimed at creating high-yielding varieties of oilseeds, embracing modern agricultural practices, establishing effective procurement methods, establishing strong market connections, initiating value-added ventures and implementing crop insurance measures.</p>
Reduce import dependencies with increased adoption of Nano DAP	<p>In India, DAP (di-ammonium phosphate) ranks second only to urea in terms of fertiliser usage.</p> <p>Building on the success of Nano Urea, the interim budget for 2024-2025 suggests the widespread adoption of Nano DAP across all climatic regions. Nano DAP demonstrates itself as a cost-effective and efficient substitute for conventional DAP. Given that Nano DAP is produced domestically, this initiative is expected to diminish import reliance.</p>

### Key demand drivers for the Indian agriculture sector

The Indian agriculture sector is prepared for growth, driven by several key demand drivers:

**Rising Population and Income:** India's population is estimated to reach 1.45 billion by 2024. It is leading to an increased demand for food grains, fruits, vegetables and protein sources like meat and dairy. Surging disposable incomes will also fuel demand for higher-value agricultural products.

**Government Initiatives:** Government initiatives can improve India's agricultural sector by focusing on several important areas. Investments in research and development of high-yield crops and sustainable practices can strengthen productivity. Various initiatives like PM Kisan, provide income support and e-NAM facilitates online market access to empower farmers. Upgradation of irrigation infrastructure and promotion of micro-financing schemes can further improve efficiency and financial security. By addressing these areas, government efforts can create a more resilient and profitable agricultural sector for India.

**Urbanisation and Changing Diets:** Urbanisation and evolving food habits present exciting growth opportunities for Indian agriculture. Rapid urbanisation creates a demand for high-value crops like fruits, vegetables and protein sources. This shifts the focus from staples. Coupled with rising disposable incomes, this fuels demand for processed food items needed a strong supply of raw agricultural produce. Catering to this changing demand and adopting practices like vertical farming for urban areas, Indian agriculture can capitalise on this trend and ensure a sustainable and profitable future.

**Food Processing Industry Growth:** India's food processing industry is experiencing significant growth. This increases the demand for raw materials like fruits, vegetables and grains from the agricultural sector, to cater to the production of processed food items.

**Export Potential:** India has the potential to become a major exporter of agricultural products. Government initiatives like "Krishi Udaan" (Agriculture Flights) aim to improve logistics and connect farmers to international markets.

Benefiting from a wide range of agricultural goods and a rising emphasis on quality standards, Indian farmers and exporters are seizing opportunities in the international markets. The broadening of export markets not only creates growth but also offers avenues for heightened revenue and profitability. This can increase additional demand for Indian agricultural produce.

**Focus on Sustainability:** There's a soaring emphasis on sustainable agricultural practices. This includes organic farming, water conservation techniques and precision agriculture. The demand for organic products and sustainably produced food is rising among consumers, creating a niche market for Indian farmers adopting these practices.

**Increasing investment in agricultural research and development (R&D):** Surging investment in agricultural R&D can be a significant growth driver for the Indian agricultural sector. This ignites innovation in areas like high-yielding, disease-resistant crop varieties, improved irrigation methods and sustainable practices. It also helps develop better storage and transportation solutions, minimising post-harvest losses.

By strengthening farm productivity and efficiency, R&D can enhance food security, empower farmers with better tools and potentially increase agricultural exports, contributing to overall industry growth.

### Key challenges in the Indian agriculture industry

**Fragmented Landholdings:** A distinct portion of Indian agricultural land is divided into small, fragmented plots. This makes it difficult to adopt modern farming techniques, and mechanisation and achieve economies of scale, impacting overall productivity.

**Climate Change and Water Scarcity:** Erratic weather patterns, droughts and unpredictable rainfall threaten crop yields. Water shortage due to overuse and inadequate infrastructure, hinders agricultural productivity.

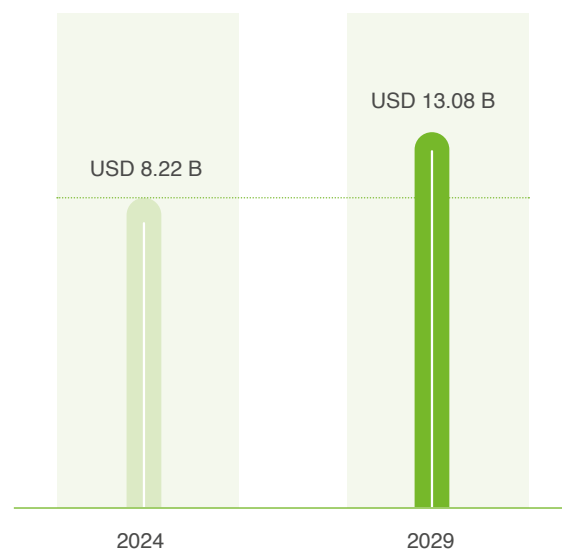
**Soil Degradation and Depletion:** Non-judicious use of chemical fertilisers and unsustainable practices lead to soil degradation and depletion of essential nutrients. This reduces land fertility and necessitates higher fertiliser inputs which further impacts profitability.

**Post-Harvest Losses:** India faces massive post-harvest losses due to inadequate storage facilities, improper transportation infrastructure and inefficient supply chains. These losses can reach up to 30% for some crops. which can further impact farmer incomes significantly.

**Integration with the Food Processing Industry:** Strengthening linkages between farmers and the food processing industry can add value to agricultural produce. However, various challenges exist in terms of contract farming models, ensuring fair pricing for produce and minimising food waste within the processing chain.

### Indian agrochemicals industry

The Indian agrochemicals market is expected to grow from USD 8.22 billion in 2024 to USD 13.08 billion by 2029, with a steady increase of 4% each year<sup>7</sup>. Pests, weeds and diseases cause a 15-25% loss in potential crop production in the country. To address this issue, a focus on using agrochemicals effectively has been taken up, to improve crop productivity. Pesticides are widely used, but there's also a growing trend towards eco-friendly methods. The government is also promoting sustainable agriculture, leading to a rise in biopesticide usage, which now makes up 15% of the market.



Source: Mordor Intelligence

<sup>7</sup><https://www.mordorintelligence.com/industry-reports/india-agrochemicals-market/market-size>

India is poised to become a global manufacturing hub, supported by government policies, R&D focus, and capacity building under initiatives like Make in India. The agrochemical industry, known for its efficient manufacturing and quality, aims to reduce imports and enhance exports, notably to the USA and Brazil.

Farmers are being educated on safe spraying practices and optimal pesticide use, with increasing adoption of drone technology for precision spraying. India's stringent environmental norms classify the agrochemical sector under Category A, ensuring thorough Environmental Impact Assessments (EIA) for manufacturing plants.

The majority of Indian agrochemical companies adhere to strict wastewater discharge norms, emphasizing environmental sustainability alongside production efficiency and competitive pricing in the global market.

However, numerous challenges like shrinking arable land and crop loss due to pests remain. Despite these challenges, the agrochemical market plays an important role in strengthening agriculture output and supporting food security efforts.

### Recent developments

In February FY25, a notable development took place at the Commodity Classic trade show: a range of agriculture equipment was launched, including autonomous high-horsepower tractors, air carts and sprayers equipped with weed-sensing technology, aimed at enhancing productivity, efficiency and sustainability in farming practices.

Among these innovations was the Electric GUSS, which has been depicted as the world's first fully electric autonomous herbicide orchard sprayer. Its advanced technology enables remote

control of multiple sprayers and incorporates a sophisticated weed detection system, thereby reducing herbicide usage and promoting sustainability in agricultural operations.

### Rising agrochemicals export from India

India has become the second-largest exporter of agrochemicals in the world. The country has outperformed the USA and is now closely following China in agrochemical exports. Over the last five years, exports have nearly doubled from US \$2.6 billion to approximately US \$5.5 billion. This indicates a significant growth potential. India has established itself as a prominent player in the global market.<sup>8</sup>

The majority of the market is dominated by generics, with about 75% governed by post-patent products. Despite the perception of focus, on new chemicals and green chemistry, there are concerns about the reduction in gross trade surplus due to imports. While imports stand at about 14,000 crores in rupee terms, exports are around 44,000 crores, resulting in a trade surplus close to \$30,000.

The country's success is primarily due to judicious chemical usage as per state government recommendations and the propagation of responsible chemical use among companies. Backward integration, capacity expansion and new restrictions propel the growth of the industry.



**150+**  
Countries as customers

### Growth drivers for the Indian agrochemicals industry

The Indian agrochemicals industry is predicted to maintain a positive growth trajectory in 2024, driven by several key factors:



#### Population Growth

India's growing population continues to accelerate the demand for food, leading to a need for higher agricultural productivity. This gives rise to a rise in demand for agrochemicals like fertilisers, pesticides and herbicides to protect crops and enhance yields.

Moreover, rising disposable incomes could also lead to higher spending on food quality, potentially influencing demand for residue-free produce requiring minimal chemical use. This, in turn, could drive innovation in safer and more targeted agrochemicals.



#### Focus on Crop Diversification

Government initiatives are also motivating farmers to shift from staple crops to high-value fruits, vegetables and pulses. These crops are usually more prone to pests and diseases. It necessitates the use of specific agrochemicals. The trend towards adopting sustainable agriculture practices like Integrated Pest Management (IPM) could create a demand for bio-pesticides and other eco-friendly agrochemical solutions.

<sup>8</sup><https://www.indianchemicalnews.com/chemical/agrochem-summit-2023-indias-agrochemicals-export-could-reach-us-11-billion-by-2033-20202>



### Soil Health Programs

Initiatives that promote soil health and nutrient management might lead to increased demand for fertilisers and micronutrients.



### Precision Agriculture

The adoption of precision farming techniques like drone technology for targeted pesticide application can also improve efficiency and potentially boost demand for specialised agrochemicals.



### Biotechnological Innovations

Advancements in biotechnologies like gene editing could lead to the development of new, more effective agrochemical products.



### Export Potential

India can become a major exporter of agrochemicals. Government initiatives are set to improve manufacturing facilities and regulatory frameworks. This could further support this growth.

## Outlook

India's agrochemical industry has experienced remarkable growth in recent years. It has established itself as a key player in the global market. With a strong focus on partnerships and regulatory compliance, India is set to address both domestic agricultural needs and global challenges effectively.

The country's increasing income levels and youthful population are driving a consumption-driven economy. This leads to increased demand across various sectors. This situation enables Indian manufacturers to offer competitive pricing for generic agrochemicals. Thus, attracting global attention and driving export volumes. India's reputation for cost-effectiveness and product quality positions it as a preferred destination for agrochemical manufacturing.

The "Make in India" initiative by the government has also played a crucial role in advancing the agrochemical industry by promoting domestic manufacturing, reducing regulatory barriers and facilitating infrastructure development.

Additionally, initiatives like Aatmanirbhar Bharat Abhiyan highlights the importance of self-reliance and resilience in key

sectors like agrochemicals. This aims to reduce dependency on imports and enhance competitiveness. The proposed production-linked incentive system for the agrochemical sector is also expected to further boost domestic manufacturing, create employment opportunities and elevate the country's global competitiveness.

India's strict laws and regulations regarding chemical manufacturing, particularly fertilisers and pesticides, have earned global recognition.

Mandated by the Insecticides Act of 1968 and The Insecticide Rules of 1971, India implements meticulous checks and balances before releasing pesticides into the market. Overseen by the Central Insecticides Board and Registration Committee, operating under the Industries (Development and Regulation) Act of 1951, ensures adherence to global standards.

Such adherence to strict regulations not only ensures the safety of humans and animals but also builds trust among consumers worldwide. This reinforces India's reputation as a reliable source of high-quality agrochemicals.

## Opportunities for the Indian agrochemical industry



### Capitalising on the Rise of Specialty Chemicals

Government initiatives, promoting crop diversification create a demand for speciality chemicals catering to fruits, vegetables and pulses. These crops are prone to specific pests and diseases requiring targeted solutions. Indian agrochemical companies can develop and market these speciality products to meet the needs of the evolving agricultural landscape. The increasing emphasis on sustainable agriculture practices like Integrated Pest Management (IPM) presents an opportunity for bio-pesticides, bio-fungicides and other eco-friendly solutions. Developing and promoting these alternatives can position Indian companies as leaders in sustainable crop protection.

## Opportunities for the Indian agrochemical industry

 <p><b>Embracing Technological Advancements</b></p>	<p>The adoption of precise farming techniques creates opportunities for more innovative agrochemical delivery systems. Developing targeted application solutions like specialised drones or formulations for minimal environmental impact can act as a growth driver. Moreover, utilising digital tools like data analytics, to create customised crop protection solutions, based on farm-specific data, presents a significant opportunity. This can further improve the efficiency and effectiveness of agrochemical use for farmers.</p>
 <p><b>Strengthening Export Potential</b></p>	<p>The government of India's initiatives aimed at improving manufacturing facilities, streamlining regulatory processes and promoting exports can open opportunities for Indian agrochemical companies in the global market. The focus on cost-effectiveness and quality can make Indian products competitive internationally. Moreover, targeting emerging markets in Africa, Southeast Asia and South America, with similar agricultural challenges can prove to be a strategic move. The development of region-specific solutions and establishment of strong distribution networks can unlock export potential.</p>
 <p><b>Building Brand Trust and Innovation</b></p>	<p>Consistent brand quality and traceability of inputs are crucial for building brand trust and establishing a strong reputation in the market. This gains even more importance with the rising demand for residue-free products. Moreover, continuous research and development to improve product efficacy, safety and environmental sustainability is vital. An effective future-proof strategy can be exploring biotechnologies like gene editing to develop next-generation agrochemicals.</p>

## Challenges

 <p><b>Regulatory compliance challenge</b></p>	<p>The employment of strict regulations ensures food safety and minimises environmental impact. This can potentially be an optimistic development, but overly strict measures might make essential agrochemicals unaffordable for small and marginal farmers. As a result, it can impact agricultural productivity. Additionally, the industry also needs to navigate a complex web of regulations across various government bodies. Streamlining the regulatory framework and ensuring clarity on compliance procedures can provide a more predictable operating environment for companies.</p>
 <p><b>Combating Price Volatility and Supply Chain Issues</b></p>	<p>Profitability might suffer adversely due to the global fluctuations in the prices of raw materials used in agrochemical production. Alternative sources or hedging strategies can help mitigate these risks. Also, geopolitical tensions and logistical bottlenecks can disrupt the supply chain for essential raw materials or finished products. Unforeseen disruptions can be eliminated by building resilient supply chains with diversified sourcing options.</p>
 <p><b>Counterfeit Products and Brand Erosion</b></p>	<p>Counterfeit products undermine the market for legitimate agrochemicals. Fake versions of the insecticides could erode brand trust, leading to a loss of sales and revenue. Farmers using counterfeits might experience lower efficacy or crop damage. This can further affect the company's reputation for quality.</p>
 <p><b>Rising resistance of pests to pesticides</b></p>	<p>Rising pest resistance to pesticides is a significant threat for the Company. If their current products become less effective, farmers may switch to competitors or abandon chemical control altogether. This could lead to declining sales and pressure on the Company to invest heavily in research of new, effective insecticides to stay competitive.</p>

## Company Overview

Since its inception, Insecticides (India) Limited (IIL), has emerged as a prominent player in crop protection and nutrition within the Indian agricultural market landscape. since its establishment. Starting as a modest formulations manufacturer, the Company has expanded its scope, now specialising in crop protection and owning the esteemed Tractor Brand.

# 2001

### Year of Year of Commencement of Operations

With aspirations to become a recognised international brand, the Company prioritises accessibility, affordability and superior quality. In order to achieve this, the Company maintains the highest standards of product quality, competitive pricing and an expanded distribution network, making use of advanced technologies. This strategic approach has enabled IIL to build an integrated portfolio across key product categories. It aims to serve both domestic and export markets while contributing to the 'Make in India' initiative and promoting sustainable growth for a brighter future.

# 21+

Technical products

# 105+

Formulations products

# 13

Focused Maharatna products

# 27

Maharatna products

The Company has a widespread presence across India and it operates six modern manufacturing facilities, producing a diverse range of crop protection products. Substantial investments have been made by the Company to augment manufacturing capabilities. This has positioned the Company competitively in the market. By aligning with market demands, IIL has achieved a competitive edge, offering a wide array of products including Insecticides, Herbicides, Fungicides and Biological and PGR. Brands like Green Label, Pulsor, Hakama and others within these categories are well-established and trusted.

Insecticides India's state-of-the-art manufacturing facilities prioritise operational efficiency, ensuring cost leadership in product offerings. Over time, it has developed differentiated products with unique characteristics, enhancing customer satisfaction.



### Key strengths

- With 4 R&D centres, the Company's R&D team continues to emphasise on new innovation in technical and formulation to enhance the efficiency and quality of premium Maharatna products.
- The Company is strategically positioned to meet the growing demand for sustainable and ecologically responsible crop protection and nutrition solutions through its expertise in biologicals and chemicals.
- The Company also has a notable intellectual property portfolio, with 24 granted patents.

### FY24 Financial Performance Review

The Company recorded an impressive top-line growth of 9.16 % in FY24, reaching ₹196.63 Million, compared to ₹180.13 million in FY23. The Profit After Tax (PAT) stood at ₹10.26 million, compared to the previous year's ₹6.29 million.

### Key financial ratios

Ratios	FY24	FY23	% change	Reasons
Debtors' turnover	6.63	6.16	7.63	-
Inventory turnover	1.76	1.86	-5.38	-
Interest coverage ratio	13.18	7.22	82.55	Higher of Profit has lead to increase in the ratio
Current ratio	1.90	1.62	17.28	-
Debt-equity ratio	0.09	0.18	-50.00	Reduction in borrowing and lease liabilities and enlargement in shareholder's equity has lead to decrease in the ratio
Operating profit margin (%)	8.30	6.77	22.60	Higher of Profit has lead to increase in the ratio
Net profit margin (%)	5.22	3.50	49.14	-
Return on Net Worth- RoNW (%)	10.15	6.88	47.53	Higher of Market value of Investment has resulted to increase in the ratio

Note: Other important ratio's are also provided at Note No. 49 of financial statement

## Risk management process

### Identifying and assessing the risk

The most important, initial steps to risk management are identifying and assessing. Identifying also involves pointing out potential events that could create disruptions for the Company in achieving its goals. This can be done through brainstorming, analysing past issues and considering industry trends. Once identified, the Company assesses the risk by evaluating the likelihood of its occurrence and the potential severity of its impact. This also helps in focusing on risks according to their severity and resource allocation for mitigation strategies.

### Prevention and control strategy

This is the heart of risk management after identification and assessment. It focuses on eliminating the impact of prioritised risks. This can also involve several tactics: completely eliminating the risk likelihood, lowering the severity, and shifting the risk to another party. Controls are also implemented, which are specific actions or procedures to execute the chosen strategy. Examples include installing safety equipment, conducting regular maintenance or having backup plans.

### Monitoring

Risk management monitoring is, keeping a watchful eye on the organisation's risk landscape. It involves continuous tracking of identified risks, their likelihood and their potential impact.

These ongoing processes allow us to assess whether existing controls are effective and if new risks have emerged due to internal or external changes.

Monitoring often utilises Key Risk Indicators (KRIs). These are measurable factors that signal the escalation of potential risks. Vigilance can help identify issues early and take corrective actions before they cause problems and ensure that the risk management plan stays relevant and adaptable.

### Reviewing and reporting on the risk

Reviewing and reporting is considered as the final step in the entire risk management cycle. Its continuous improvements. The review process involves periodical evaluation of the effectiveness of its entire risk management process. This includes assessing if identified risks remain valid, if control measures are working and if new risks require attention.

Reporting also communicates these findings to relevant stakeholders. Reports typically detail key risks, their current status, control effectiveness and recommendations for improvement. This transparency allows informed decision-making, resource allocation adjustments and fosters a strong risk management culture within the organisation.

## Risk management

The Company has a dedicated risk management committee tasked with identifying a spectrum of internal and external risks unique to our operations. These include financial, operational,

sectoral and sustainability-related risks, with special focus on ESG considerations, as well as informational and cybersecurity risks, among others.

The committee takes responsibility for the complete supervision and guidance of its risk management policy. The committee gives regular reviews of the policy, ensuring that any necessary adjustments to the risk management approach are recommended.

The Company monitors the risks arising from both the internal operations and the external business environment through a comprehensive risk management framework. This proactive stance enables us to consistently deliver value to all stakeholders, navigating industry fluctuations and economic challenges effectively.

### Our risk mitigation plan

The Board implements several measures as part of its risk management and mitigation plan to ensure comprehensive risk oversight and control.

### Defining Roles and Responsibilities of the Risk Management Committee

The Risk Management Committee's roles and responsibilities are clearly defined to ensure effective risk identification, assessment, and mitigation, enhancing the organisation's overall risk management framework.

### Establishing a Risk Appetite Framework

The Board establishes a Risk Appetite Framework to define the level of risk the company is willing to accept while pursuing its strategic objectives. This framework aids in making informed decisions and maintaining a balanced risk-reward ratio.

### Developing a Risk-Aware Culture

Promoting a risk-aware culture across all organizational levels encourages employees to identify and report potential risks without fear of reprisal, fostering proactive risk management.

### Conducting Regular Training and Awareness Programs

The Board provides ongoing training to employees on risk management policies and procedures, ensuring everyone understands their roles in the risk management process and remains vigilant.

### Enhancing Communication and Collaboration

The Board fosters open communication channels between the Risk Management Committee, the Board, and other departments. This collaborative approach ensures a comprehensive and unified risk management strategy.

### Engaging External Experts

Periodically, the Board engages external risk management experts to conduct independent reviews and provide fresh perspectives on the company's risk management practices, ensuring continuous improvement and adherence to best practices.



## Risks and mitigations

Risks	Description	Mitigation strategy
 <p><b>Regulatory changes</b></p>	<p>Stricter regulations on pesticide use, production or safety standards may be introduced by the Indian government or other regulatory bodies like CIBRC. These regulatory changes could disrupt production processes, increase compliance costs or limit market access for certain products.</p>	<p>The Company thoroughly monitors all regulatory changes through their compliance management system and adapts production processes and product formulations to meet the new standards.</p>
 <p><b>Shifting farmer preferences</b></p>	<p>With the demand for organic products increasing, farmers are likely to be drawn to such farming practices or alternative pest control methods. This in turn, may lead to a decline in demand for traditional insecticides.</p>	<p>The Company invests in R&amp;D to develop new bio-pesticides or organic alternatives, in order to cater to the evolving farmer preferences and potentially enter new markets.</p>
 <p><b>Competitive market</b></p>	<p>The increased competition from domestic or international players offering their products at competitive prices, might put pressure on the Company's existing market share and profitability.</p>	<p>The Company is exploring export opportunities and also expanding into new product lines beyond traditional insecticides.</p>
 <p><b>Raw materials price fluctuations</b></p>	<p>Fluctuations can occur due to disruptions in the global supply chain, rising energy costs or unexpected weather events impacting key ingredients.</p> <p>This can adversely affect the profit margins as the Company might struggle to pass on increased costs, entirely to farmers in a competitive market.</p>	<p>The Company has built long-term contracts with reliable suppliers, diversified its raw material sources and is prioritising the development of more cost-effective formulations to maintain affordability for farmers.</p>
 <p><b>Unpredictable changes in climate</b></p>	<p>Unpredictable weather patterns like droughts or excessive rainfall can disrupt crop cycles. Which leads to the faltering of the demand for insecticides. Additionally, extreme weather conditions could damage production facilities or disrupt supply chains.</p>	<p>The Company focuses on researching and developing drought-resistant or adaptable insecticides that remain effective under adverse and dynamic weather conditions. Insecticides India is also investing in climate-smart production methods. This method involves adopting water-efficient technologies or utilising renewable energy sources to ensure that the production remains sustainable and less vulnerable to disruptions caused by extreme climatic conditions.</p>

The Company operates within a clearly established organisational structure. Information flows are carefully defined, to prevent conflicts or communication gaps between various departments. Within each department, there are secondary positions, that ensure smooth continuity of operations in the absence of department heads. Strict policies are implemented for the maintenance of inventories, including raw materials, consumables, key spares and tools, to guarantee their availability for scheduled production activities. Continuous efforts are made to drive down production costs, adapting to evolving market conditions.

### Internal control system and adequacy

The Company maintains robust internal control procedures tailored to its size and activities. It believes that safeguarding assets and enhancing operational efficiency are achievable through the implementation of adequate internal controls and the standardisation of operational processes. These internal controls and risk management mechanisms adhere to the principles and criteria outlined in the corporate governance code of the organization. They are seamlessly integrated into the overall organisational structure of both the Company and the Group, involving various personnel who collaborate

effectively in fulfilling their respective duties. The Board of Directors provides guidance and strategic oversight to the Executive Directors and management, overseeing monitoring and support committees.

### Human resources

The Company recognises its intellectual capital as its primary asset. The well-being and satisfaction of its team members is thus, extremely crucial for its prosperity. According to the Company, the growth of its employees will act as the major driver for its success. Insecticides India prioritises its aim of building an environment that encourages and supports personal development within a welcoming and secure atmosphere. Realising the importance of diversity, the Company highly values the contribution of each individual. Insecticides India's

1615

Total number of employees as of 31<sup>st</sup> March 2024.

Human capital is the most valuable resource for shaping the Company's future and ensuring smooth operations. The strength as a group lies in the Company's cohesive teamwork. Training and skill development are essential for both individual as well as organisational growth. The Company also organises regular sessions to empower its workforce.

Additionally, it prioritises maintaining a flat communication structure to enable transparent dialogue between employees and management. These initiatives strengthen the Company's ability to attract and retain top talent, resulting in a committed and satisfied workforce. The Company has also successfully implemented HR initiatives and people management practices.

### Health and safety measures

Prioritising the well-being and safety of its team, the Company places utmost importance on building a secure and healthy

work environment. It acknowledges that such an environment, both nurtures the welfare of the team as well as serves as a foundational element for the sustainable success of the organisation. To maintain this commitment, the Company has established comprehensive health and safety policies and procedures. These policies are complemented by consistent training and awareness initiatives for all staff members. Navigating and mitigating potential occupational health and safety risks across all operations, the Company aims to induce a strong emphasis on occupational health and safety. This helps it cultivate a safety-focused culture that prioritises the welfare of its employees.

To strengthen these efforts, various safety measures have also been implemented across different corporate offices and manufacturing facilities. Mandatory safety training and participation in drills are essential for all contractors and workers at these facilities.

Moreover, the Company's manufacturing sites hold certifications for its adherence to occupational health and safety management systems and compliance with ISO 45001 standards. These initiatives, collectively enhance the Company's ability to identify and address health and safety hazards while elevating its overall performance in these critical areas.

### Cautionary statement

The statements made in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand-supply and price conditions in the domestic and overseas markets in which the Company operates, changes in the government regulations, tax laws and other statutes and other incidental factors.

# Board's Report

## Dear Members,

The Board of Directors hereby submit the report of the business and operations of your Company ('the Company' or 'ILL'), along with the audited financial statements, for the financial year ended March 31, 2024.

## 1. Financial Results and State of Company's Affairs

The Board's Report is prepared based on the standalone financial statements of the Company. The Company's financial performance for the year under review alongwith previous year's figures are given hereunder –

Particulars	Standalone		Consolidated	
	Financial Year 2023-24 (FY 2024)	Financial Year 2022-23 (FY 2023)	Financial Year 2023-24 (FY 2024)	Financial Year 2022-23 (FY 2023)
	(₹ In Crores)			
<b>Income</b>				
Revenue from operations	1966.38	1801.32	1966.38	1801.32
Other income	9.50	1.26	9.46	1.26
<b>Total income</b>	<b>1975.89</b>	<b>1802.59</b>	<b>1975.85</b>	<b>1802.59</b>
<b>Expenses</b>				
Operating expenditure	1803.18	1679.44	1803.83	1679.44
Depreciation and Amortization expense	29.24	26.10	29.25	26.10
<b>Total expenses</b>	<b>1832.42</b>	<b>1705.53</b>	<b>1833.08</b>	<b>1705.54</b>
<b>Profit before finance costs, exceptional item and tax</b>	<b>143.47</b>	<b>97.05</b>	<b>142.76</b>	<b>97.04</b>
Finance costs	10.88	13.45	10.88	13.45
<b>Profit before tax</b>	<b>132.57</b>	<b>83.60</b>	<b>132.19</b>	<b>83.59</b>
Tax expense	29.95	20.61	29.82	20.61
<b>Profit for the year</b>	<b>102.62</b>	<b>62.98</b>	<b>102.36</b>	<b>63.21</b>
<b>Opening balance of retained earnings</b>	<b>815.65</b>	<b>768.03</b>	<b>818.25</b>	<b>770.43</b>
<b>Closing balance of retained earnings</b>	<b>909.37</b>	<b>815.65</b>	<b>911.80</b>	<b>818.25</b>
<b>Earnings per share (EPS)</b>				
<b>Basic (In H)</b>	<b>34.67</b>	<b>21.28</b>	<b>34.59</b>	<b>21.36</b>
<b>Diluted (In H)</b>	<b>34.67</b>	<b>21.28</b>	<b>34.59</b>	<b>21.36</b>

Revenue from Operation has recorded a growth of 9.16% from ₹ 1,801.32 Crore in FY23 to ₹ 1,966.38 Crore in FY24. Increase in revenue was largely driven by Strong growth of 27% in value added product portfolio of 'Maharatna', which constitutes 59% of B2C revenue in FY24, Healthy contribution of Maharatna including Focus Maharatna products highlights the strength of our marketing team and sales partners to sell our premium products. Among them, Hercules, Lethal, Hachiman and Shinwa are the biggest contributor to our product sales.

The EBITDA stood at ₹ 163.20 Crore in FY24 as compared to ₹ 121.88 Crore in FY23. Net profit stood at ₹ 102.62 Crore in FY24, compared to ₹ 62.98 Crore in FY23.

The Company had introduced 8 new products in FY24, which amounted to revenue of ₹ 51 Crore, demonstrate wider product acceptance, driving innovation and value. The major focus during the year remains at streamlining

manufacturing operations towards Formulations solutions and strengthening Organizational capabilities at senior level to drive future growth. Investment in digital transformation i.e IIL 360, to drive business agility and customer centricity.

## 2. Dividend

Your directors are pleased to inform that your Company has a consistent track- record of dividend payment. In line with the Dividend Distribution Policy, and in compliance with Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). The Company paid an Interim Dividend of ₹ 3/- (30%) per equity share having face value of ₹ 10/- each for the financial year 2023-24. The aforesaid payment of Interim Dividend may be treated as Final Dividend for the Financial Year 2023-24.

In the line of Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2016 and stated above the Dividend Distribution Policy is available on the website of the company <https://www.insecticidesindia.com/wp-content/uploads/2022/04/DividendDistributionPolicy.pdf>.

### 3. Change in equity share capital

There was no change in the Company's Share Capital during the year under review. The paid-up equity share capital of the company as on March 31, 2024 stood at ₹ 29,59,78,370/- comprising of 29597837 equity shares of ₹ 10/- each.

### 4. Credit Rating

The Company enjoys a good reputation for its sound financial management and ability to meet in financial commitments.

CRISIL, a S&P Global Company, a reputed Rating Agency, has re-affirmed the credit rating for FY 2024.

Credit Rating Agency	Type of Credit Rating	Rating in FY 2024
CRISIL	Long-term Rating	CRISIL A/Stable
	Short-term Rating	CRISIL A1

### 5. Award and Recognitions

Your company has received accolades from various industry platforms in the fields of exports, management, and leadership within its sector. These achievements have been detailed in the Awards section of this Annual Report.

### 6. Particulars of Loans given, Investment made, Guarantees given and Securities provided

During the FY2024 your Company has not granted any Loan, Guarantee or provided securities under Section 186 of the Companies Act, 2013 read with rules framed thereunder.

### 7. Deposits

Your Company has neither invited nor accepted any deposits from the public within the preview of Section 73 of the Companies Act, 2013 ("the Act") during the year.

There is no unclaimed or unpaid deposit lying with the Company as on March 31, 2024.

### 8. Performance of Subsidiary, Joint Venture and Associates

The consolidated financial statements of the Company prepared in accordance with the Companies Act, 2013 and applicable accounting standards form part of the Annual Report. The consolidated financial statements include the financial statements of its subsidiary Companies.

- During the period under review, the wholly-owned subsidiary was incorporated on May 01, 2023 namely **"IIL Overseas DMCC" (Dubai)** by the Company. The wholly-owned subsidiary shall carry on business of trading of Insecticides, Agriculture & Veterinary Pesticides Products.
- The Company has a wholly owned subsidiary namely **"IIL Biologicals Limited"** within the meaning of Section 2(87) of the Companies Act, 2013 ("Act"), as on March 31, 2024.
- The Company has joint venture namely **"OAT & IIL India Laboratories Private Limited"** within the meaning of Section 2(6) of the Companies Act, 2013 ("Act"), as on March 31, 2024.

Further, during the year under review, no company have ceased to be its subsidiary, associate or joint venture Company.

Pursuant to the provisions of section 136 of the Companies Act, 2013, the financial statements including consolidated financial statements along with the relevant documents and audited accounts of subsidiaries are available on the website of the Company at <https://www.insecticidesindia.com/investors-desk/>.

Pursuant to section 129 of the Companies Act, 2013 a statement in Form AOC-1, containing the salient features of the financial statements of the Company's subsidiaries is attached with the financial statements. The statement provides details of performance and financial position of the subsidiary. The contribution of the subsidiaries to the overall performance of the company is given in the consolidated financial statements. The highlights of performance of joint venture along with its contribution to overall performance of the Company during the period are provided in form AOC-1 and annexed as **Annexure – 1**.

The Financial Statements of the subsidiaries shall be made available to the shareholders seeking such information and shall also be available for inspection at its Registered Office.

The Policy for determining material subsidiaries as approved may be accessed on the Company's Website in investor section: <https://www.insecticidesindia.com/wp-content/uploads/2020/10/Policy-on-Material-Subsidiaries.pdf>.

## 9. Consolidated Financial Statements

The Consolidated Financial Statements of the Company for the Financial Year 2023-24 are prepared in compliance with the applicable provisions of the Act, Accounting Standards and Regulations as prescribed by Securities and Exchange Board of India, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI "Listing Regulations").

The Consolidated Financial Statement have been prepared on the basis of audited financial statements of the Company and its subsidiary and Joint Venture Company, as approved by their respective Board of Director(s).

Pursuant to the provisions of Section 136 of the Act, the Financial Statements of the Company, the Consolidated Financial Statements along with all relevant documents and the Auditor's Report thereon form part of this Annual Report. The Financial Statements as stated above are also available on the website <https://www.insecticidesindia.com/investors-desk/> of the Company.

## 10. Transfer to Reserves

During the year under review, your directors do not propose to transfer any amount to the reserves.

## 11. Management's discussion and analysis Report

Management's Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 read with Schedule V of the SEBI Listing Regulations, is presented in a separate section forming part of the Annual Report. Certain Statements in the said report may be forward-looking. Many factors may affect the actual results, which could be different from what the Directors envisage in terms of the future performance and outlook.

## 12. Corporate Social Responsibility

The CSR policy formulated by the Corporate Social Responsibility and Sustainability Committee and approved by the Board and updated time to time. The same may be accessed on the Company's website at the link: [https://www.insecticidesindia.com/wp-content/uploads/2024/03/P3\\_CSRP\\_2023.pdf](https://www.insecticidesindia.com/wp-content/uploads/2024/03/P3_CSRP_2023.pdf).

The key philosophy of all CSR initiatives of the Company is guided by education, environment and Sustainability.

The Company has identified following focus areas for CSR engagement:

- **Rural Transformation:** Creating sustainable livelihood solutions, addressing poverty, hunger and malnutrition.
- **Vulnerable sections:** Setting up home for Orphans.
- **Environment:** Environmental sustainability, ecological balance, conservation of natural resources and promoting bio-diversity.
- **Health:** Affordable solutions for healthcare through improved access, awareness and health seeking behavior.
- **Education and Sports:** Access to quality education, training and skill enhancement, building sports & skills in young students.
- **Disaster Response:** Managing and responding to disaster.
- **Art, Heritage and Culture:** Protection and promotion of India's art, culture and heritage.

The Company would also undertake other need based initiatives in compliance with Schedule VII to the Act. The annual report on CSR activities is annexed herewith and marked as **Annexure - 2**.

## 13. Risk Management

The Company has formulated the Risk Management Policy through which the Company has identified various risks like, strategy risk, industry and competition risk, operation risk, liability risks, currency risk, resource risk, technological risk, financial risk. The Company faces constant pressure from the evolving marketplace that impacts important issues in risk management and threatens profit margins. The Company emphasizes on those risks that threaten the achievement of business objectives of the Group over the short to medium term. Your Company has adopted the mechanism for periodic assessment to identify, analyze, and mitigation of the risk.

The appropriate risk identification method will depend on the application area (i.e. nature of activities and the hazard groups), the nature of the project, the project phase, resources available, regulatory requirements and client requirements as to objectives, desired outcome and the required level of detail.

The trend line assessment of risks, analysis of exposure and potential impact shall be carried out. Mitigation plans shall be finalized, owners identified, and progress of mitigation actions shall be regularly and periodically monitored and reviewed.

The risk Management process follows the following flow of Risk:



**Risk Management Committee:** The Company has constituted a Risk Management Committee of the Board comprising of one executive director and two independent directors of the Company as required under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Committee reviews the risk management initiatives taken by the Company on quarterly basis and evaluate its impact and the plans for mitigation. During the year, the Committee met on May 30, 2023; August 10, 2023; November 02, 2023; and February 05, 2024. The Risk Management Policy can be accessed on the Company's website at [https://www.insecticidesindia.com/wp-content/uploads/2024/03/P5i\\_RMP\\_2021.pdf](https://www.insecticidesindia.com/wp-content/uploads/2024/03/P5i_RMP_2021.pdf).

#### 14. Vigil Mechanism

The Company promotes ethical behaviour in all its business activities and has put in place a mechanism for reporting unethical behaviour, fraud, violations, or bribery. The Company has Vigil Mechanism (Whistle Blower) Policy under which the employees are free to report violations of applicable Laws and Regulations and the Code of Conduct, the same can be accessed through the Chairman of the Audit Committee. The reportable matters may be disclosed to the Ethics and Compliance Task Force which operates under the supervision of the Audit Committee. Employees may also report to the Chairman of the Audit Committee. During the year under review no such complaint has been received and no

employee was denied access to the Audit Committee for reporting violations. The details of the aforementioned policy is available on the Company's website at <https://www.insecticidesindia.com/wp-content/uploads/2021/02/WhistleBlowerPolicy.pdf>.

#### 15. Disclosure of Remuneration & Particulars of Employees and Related Disclosures

The information as required in accordance with Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the details regarding the remuneration and other requisite details are mentioned in the **Annexure – 3** attached hereto.

List of top 10 employees' remuneration are annexed as **Annexure-3** under Section 197 of the Companies Act, 2013 read with rule 5 of the Companies (Appointment and Managerial Personnel) Rules 2014.

No director of the Company who is receiving commission from the Company is in receipt of any remuneration or commission from any holding company or subsidiary company of the Company.

The Remuneration Policy of the company is available at <https://www.insecticidesindia.com/wp-content/uploads/2020/10/NR-POLICY-FINAL-AMEND-09.08.2016.pdf>

## 16. Directors/ Key Managerial Personnel's Appointment, Re-appointment & Resignation

### Directors

The Board of Directors of the Company was having ten directors as on March 31, 2024 including one Managing Director and six Independent Directors and three Whole Time Directors.

During the year under review, the shareholders of the Company by special resolution passed through Postal Ballot, appointed Shri Shyam Lal Bansal and Shri Supratim Bandyopadhyay as an Independent Director(s) of the Company to hold office for a term of 5 (five) consecutive years from February 05, 2024 to February 04, 2029, not liable to retire by rotation.

Shri S. Jayaraman completed his tenure as Independent Director of the Company on February 08, 2024. During his tenure, Shri Jayaraman provided valuable business insights to the board. His impartial perspective, combined with his expertise and oversight, ensured balanced decision-making and effective governance. He played a crucial role in enhancing the board's accountability and transparency, and supported the company's strategic direction and long-term success. We wish him all the best for his future endeavors.

Pursuant to provisions of Companies Act, 2013 ('Act') and the Articles of Association of the Company Smt. Nikunj Aggarwal, the Whole-time Director of the Company, is liable to retire by rotation and being eligible, offer herself for re-appointment. The Nomination, Remuneration and Ethics Committee and Board of Directors have recommended the re-appointment for the approval of the shareholders of the Company in the forthcoming Annual General Meeting of the Company.

Further, the current tenure of appointment of Shri Rajesh Kumar Aggarwal, Managing Director, shall expire on November 14, 2024. On the recommendation of the Nomination Remuneration and Ethics Committee and considering the other relevant factors, the Board of Directors recommends to the shareholders of the Company, the re-appointment of Shri Rajesh Kumar Aggarwal as Managing Director of the Company for a period of further 5 years w.e.f. November 15, 2024.

Furthermore, the tenure of appointment of Smt. Praveen Gupta, Independent Director, shall expire on February 14, 2025. On the recommendation of the Nomination, Remuneration and Ethics Committee and considering the other relevant factors, the Board of Directors recommends to the shareholders of the Company, the re-appointment of Smt. Praveen Gupta as an Independent Director of the

Company to hold office for a second term of five consecutive years from February 15, 2025 to February 14, 2030.

### Key Managerial Personnel

Key Managerial Personnel of the Company pursuant to Section 2(51) of the Act, read with the Rules framed there under:

S. No	Name	Designation
1.	Shri Hari Chand Aggarwal	Chairman &WTD
2.	Shri Rajesh Kumar Aggarwal	Managing Director
3.	Smt. Nikunj Aggarwal	Whole-time Director
4.	Shri Anil Kumar Goyal	Whole-time Director
5.	Shri Sandeep Aggarwal	Chief Financial Officer
6.	Shri Sandeep Kumar	Company Secretary & CCO

During the period under review, none of the Key Managerial Personnel (KMP) has resigned from the Company.

During the financial year 2023-24, all the necessary information, as mentioned in Part A of Schedule II of SEBI Listing Regulations, has been placed before the board for discussion and consideration.

## 17. Declaration by Independent Director

All the Independent directors have given declaration that they meet the criteria of Independence laid down under Section 149 (6) of the Companies Act, 2013 and Regulation 16(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In terms of Regulation 25(8) of the SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. The Board of Directors of the Company has taken on record the declaration and confirmation submitted by the Independent Directors after undertaking due assessment of the veracity of the same. In the opinion of the Board, they fulfill the conditions of independence as specified in the Act and the Rules made thereunder and are independent of the management. There has been no change in the circumstances affecting their status as Independent Directors of the Company.

The Board is of the opinion that all Directors including the Independent Directors of the Company possess requisite qualifications, integrity, expertise and experience in the

fields of science and technology, industry experience, strategy, finance and governance, IT and digitalization, human resources, safety and sustainability, etc.

The Independent Directors of the Company have confirmed that they have enrolled themselves in the Independent Directors' Databank maintained with the Indian Institute of Corporate Affairs ('IICA') in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014, as amended. They are exempt from the requirement to undertake the online proficiency self-assessment test conducted by IICA.

During the year under review, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board/ Committees of the Board.

## 18. Directors Performance Evaluation Report

In terms of Companies Act, 2013 and SEBI Listing Regulations, there is requirement of formal evaluation by the Board of its own performance and that of its committees and individual directors.

The evaluation of Board of its own performance and that of its committees and individual directors was conducted based on criteria and framework adopted by the Board. The evaluation criteria have been explained in the Nomination and Remuneration Policy adopted by the Board. The details of the aforementioned policy is available on the Company's website at <https://www.insecticidesindia.com/wp-content/uploads/2020/10/NR-POLICY-FINAL-AMEND-09.08.2016.pdf>

Further the Board, in its meeting held on May 30, 2023 also evaluated the performance of the Board, its committees and all Individual Directors including Chairman of the Company and expressed its satisfaction over the performance of the Board, its Committees and Individual Directors Furthermore, the Board is of the opinion that Independent directors of the company are persons of high repute, integrity & possess the relevant expertise & experience in their respective fields.

## 19. Familiarisation Programme for Independent Directors

Pursuant to the provisions of Regulation 25 of the SEBI Listing Regulations, the Company has formulated a programme for familiarising its Independent Directors pertaining to which all new Directors (including

Independent Directors) inducted to the Board go through a structured orientation programme. The new Directors are given an orientation on their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, products of the business, group structure and subsidiaries, Board constitution and procedures, matters reserved for the Board and the major risks and risk management strategy of the Company.

During the year under review, Shri Shyam Lal Bansal and Shri Supratim Bandyopadhyay, the Independent Directors were inducted to the Board. The details of the aforementioned programme is available on the Company's website at <https://www.insecticidesindia.com/wp-content/uploads/2024/04/FAMILIARISATION-2023-2024.pdf>

Further, the Company has received declaration from all the Independent Directors, as envisaged in sub section (6) of Section 149 of the Companies Act, 2013.

## 20. Meeting of the Board

During the financial year 2023-24, the Board of Directors met 5(Five) times, the details of which are given in the Corporate Governance Report that forms part of the Annual Report. The notice along with Agenda of each Board Meeting was given in writing to each Director. The intervening gap between any two meetings was within the period prescribed by the Act and SEBI Listing Regulations.

## 21. Board Committees

In compliance with the requirements of the Act and SEBI Listing Regulations, your Board had constituted various Board Committees including Audit Committee (AC), Nomination, Remuneration and Ethics Committee (NREC), Stakeholders Relationship Committee (SRC), Finance Committee (FC), Corporate Social Responsibility and Sustainability Committee (CSR) and Risk Management Committee (RMC).

During the period under review, your Board has reconstituted the composition of various committees. Details of which forms the part of Corporate Governance Report annexed herewith this report.

Details of the constitution of these Committees, which are in accordance with regulatory requirements, have been uploaded on the website of the Company viz. <https://www.insecticidesindia.com/board-of-directors/>. Details of scope, constitution, terms of reference, number of meetings held during the year under review along with attendance of Committee Members therein forms part of



the Corporate Governance Report annexed herewith this report. A detailed report on Corporate Social Responsibility activities initiated by the Company during the year under review, in compliance with the requirements of Companies Act, 2013, is annexed with this report.

## 22. Directors Responsibility Statement

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the work performed by the internal, statutory, cost and secretarial auditors and external consultants, including the audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by the Management and the relevant Board committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during Financial Year 2023-24.

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

- a) in the preparation of the annual accounts for the year ended March 31, 2024, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year;
- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis.
- e) the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## 23. Contracts or Arrangements with Related Parties

Your Company has formulated a policy on related party transactions which is also available on Company's website at the link [https://www.insecticidesindia.com/wp-content/uploads/2024/04/P7\\_RPT\\_2023.pdf](https://www.insecticidesindia.com/wp-content/uploads/2024/04/P7_RPT_2023.pdf). The Board of Directors of the Company has approved the criteria for making the omnibus approval by the Audit Committee within the overall framework of the policy on related party transactions. Prior omnibus approval is obtained for related party transactions which are of repetitive nature and entered in the ordinary course of business and at arm's length. All related party transactions are placed before the Audit Committee for review and approval.

All related party transactions entered during the Financial Year were in ordinary course of the business and on arm's length basis under Section 188(1) of the Act and Listing Regulations and hence a disclosure in Form AOC-2 in terms of clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014 is not required.

Details of the transactions with Related Parties are provided in the accompanying financial statements, members may refer to Note No. 38 of Standalone and Note No. 40 of Consolidated financial statement of the notes to accounts of the Company which sets out related party disclosures pursuant to IndAS-24 and in compliance with the provision of Section 134(3)(h) of the Act.

## 24. Details in respect of adequacy of Internal Financial Controls

The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and timely preparation of reliable financial disclosures.

Along with Statutory and Internal Auditor, the Company has an in-house Internal Audit department with a team of qualified professionals. The internal audit department prepares an annual audit plan based on risk assessment and conducts extensive reviews covering financial, operational and compliance controls. Improvements in processes are identified during reviews and communicated to the management on an ongoing basis. The Audit Committee of the Board monitors the performance of the internal audit team on a periodic basis through review of audit plans, audit findings and issue resolution through follow-ups. Each year, there are at least four meetings in which the Audit Committee reviews internal audit findings.

## 25. Details of Significant & Material Orders passed by the regulator or Courts

No significant and material order has been passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company and Company's operations in future, details of which needs to be disclosed in the board's report as Section 134 (3)(q) read with rule 8 of Companies (Accounts) Rules, 2014.

## 26. Material Changes and Commitments

There have been no material changes and commitments affecting the financial position of the company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

## 27. Auditors

### a) Statutory Auditors

At the 25th AGM of the Company held on September 23, 2022 pursuant to the provisions of the Act and the Rules made thereunder, M/s SS Kothari Mehta & Co., LLP, Chartered Accountants (ICAI Regd. No.: 000756N) and M/s Devesh Parekh & Co., Chartered Accountants (ICAI Regd. No.: 013338N) were appointed as Joint Auditors of the Company for term of 5 (Five) consecutive Years

The Board of Directors of the Company as per the recommendation of Audit Committee has approved the remuneration payable to M/s SS Kothari Mehta & Co., LLP, Chartered Accountants (ICAI Regd. No.: 000756N) and M/s Devesh Parekh & Co., Chartered Accountants (ICAI Regd. No.: 013338N), Chartered Accountants for the year 2023-24. Members may refer to Note No. 28A of Standalone and Note No. 29A of Consolidated financial statement of the notes to accounts of the Company for details of Auditors fees during the period.

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation, adverse remark or disclaimer.

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

The Company has received their continuing eligibility certificate confirming that they satisfy the criteria provided under Section 141 of the Act.

### b) Secretarial Auditor

The Board of Directors had appointed Akash Gupta & Associates, Company Secretaries, (PCS Regis. No. 11038), to conduct Secretarial Audit for FY 2023-2024. During the year under review the company complies with all applicable Secretarial Standards. The Secretarial Report annexed to this report are self-explanatory and do not call for any further comments. The Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer.

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

In terms of Section 204 of the Companies Act, 2013, the Audit Committee recommended and the Board of Directors appointed M/s. Akash Gupta & Associates, Company Secretaries (PCS Registration No. 11038) as the Secretarial Auditors of the Company in relation to the financial year 2024-25. The Company has received their consent for appointment.

A Secretarial Compliance Report for the financial year ended March 31, 2024 as required under Regulation 24A of SEBI (LODR) Regulations 2015 has been submitted to the stock exchanges within due time.

### c) Cost Auditor

In terms of the requirement of Section 148 of the Act read with Companies (Cost Records and Audits) Rules, 2014, the cost audit records maintained by the Company is required to be audited.

The Audit Committee recommended and the Board of Directors appointed M/s Aggarwal Ashwani K & Associates, Cost Accountants, as Cost Auditors of the Company, to carry out the cost audit for the financial year 2024-25. The Company has received their written consent that the appointment is in accordance with the applicable provisions of the Act and rules framed thereunder. The remuneration of Cost Auditors has been approved by the Board of Directors on the recommendation of Audit Committee and in terms of the Companies Act, 2013 and Rules thereunder the requisite resolution for ratification of remuneration of Cost Auditors by the members has been set out in the Notice of the 27th Annual General Meeting of your Company.

During the FY 2023-24, the Cost Auditor has not reported any matter under Section 143(12) of the Act, therefore no details is required to be disclosed under Section 134(3)(ca) of the Act. The Cost Audit Report of

the relevant period does not contain any qualification, reservation, adverse remark or disclaimer.

#### d) Internal Auditors

The Board of Directors on recommendation of the Audit Committee, appointed M/s. Aditi Gupta & Associates, Chartered Accountants as Internal Auditors of the Company for the financial year 2024-25.

The Internal Auditors' Report submitted to the Board were not contained any qualification, reservation, adverse remark or disclaimer, however suggestions given by the internal auditors for the improvement of the system were taken into consideration by the management.

No frauds have been reported by the Auditors under Section 143(12) of the Companies Act, 2013 requiring disclosure in the Board's Report.

### 28. Corporate Governance

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by the Securities and Exchange Board of India (SEBI). The report on Corporate Governance as stipulated under the Listing Regulations forms an integral part of this Report. The requisite certificate from the Auditors of the Company confirming compliance with the conditions of Corporate Governance is attached to the report on Corporate Governance.

### 29. Conservation of Energy, Technology Absorption, Foreign Exchange Earnings & Outgo

In terms of requirement of clause (m) of sub-section (3) of Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, the particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under the Act, are provided in **Annexure - 4** to this report.

### 30. Business Responsibility and Sustainability Report

Business Responsibility and Sustainability Report for the Financial Year 2023-24, as stipulated under Regulation 34 of the SEBI Listing Regulations read with Circulars issued

by Securities and Exchange Board of India, forms part of the Annual Report and annexed as **Annexure -5**.

### 31. Annual Return

In accordance with Section 92 (3) of the Act, the annual return for the financial year 2023-24 is available on Company's website at [https://www.insecticidesindia.com/wp-content/uploads/2024/07/MGT-7\\_website.pdf](https://www.insecticidesindia.com/wp-content/uploads/2024/07/MGT-7_website.pdf).

### 32. Disclosure under the Sexual Harassment of Women at the Work Place (Prevention, Prohibition and Redressal) Act, 2013

The Company has in place an Anti-Sexual Harassment Policy ('Policy') in line with the requirements of The Sexual Harassment of Women at the Work Place (Prevention, Prohibition and Redressal) Act, 2013. Your directors state that during the year under review, no cases of sexual harassment have been reported.

Further, the company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The said Policy is available on Company's website at [https://www.insecticidesindia.com/wp-content/uploads/2024/07/POSH\\_Policy-2023-updated.pdf](https://www.insecticidesindia.com/wp-content/uploads/2024/07/POSH_Policy-2023-updated.pdf).

### 33. Pollution Control

The Company has taken various initiatives to keep the environment free from pollution. It has already installed various devices in the factories to control the pollution.

### 34. Unclaimed Dividend Transferred to Investor Education and Protection Funds (IEPF)

As per the Companies Act, 2013, dividends that are unclaimed for a period of seven years, statutorily get transferred to the Investor Education and Protection Fund (IEPF) administered by the Central Government. During the year under review, in terms of provisions of Investors Education and Protection Fund (Awareness and Protection of Investors) Rules, 2014. During the year under review, the Company has transferred the unclaimed dividend (Final) for financial year 2015-16, aggregating to ₹ 67,650 was transferred to Investors Education and Protection Fund.

As per Regulation 43 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements)

Regulations, 2015, no shares are lying in the suspense account of the Company.

The details of the nodal officer appointed by the Company under the provisions of IEPF Rules are available on the website of the Company.

### 35. Insurance

The Company has taken the required insurance coverage for its assets against the possible risks like fire, flood, public liability, marine, burglary etc.

### 36. Nature of Business

There is no change in the nature of business during the period under review.

### 37. Listing

The Company's equity shares are listed on BSE Limited ("BSE") & National Stock Exchange of India Limited ("NSE") having nation-wide trading terminals. Annual listing fee for the Financial Year 2024-25 have been paid to exchanges.

### 38. General

Your directors state that no disclosure or reporting is required in respect of the following matters as there were no transactions on these matters during the year under review:

- a. Issue of equity shares with differential rights as to dividend, voting or otherwise.
- b. The Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.
- c. Any remuneration or commission received by Managing Director of the Company, from any of its subsidiary.
- d. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

- e. During the period No fraud has been reported by the Auditors to the Audit Committee or the Board.
- f. There is no proceeding pending under the Insolvency and Bankruptcy Code, 2016.
- g. There was no instance of onetime settlement with any Bank or Financial Institution.

### 39. Compliance with Secretarial Standards

During the year under review, your Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

### 40. Cautionary Statement

Statements in the Board's report and the Management Discussion and Analysis Report describing the expectations or predictions, may be forward looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include: global and domestic demand and supply conditions affecting selling prices, new capacity additions, availability of critical materials and their cost, changes in government policies and tax laws, economic development of the country and other factors which are material to the business operations of the Company.

### 41. Appreciation

Your Company has been able to perform efficiently because of the culture of professionalism, creativity, integrity and continuous improvement in all functions and areas as well as the efficient utilization of the Company's resources for sustainable and profitable growth.

The Directors hereby wish to place on record their appreciation of the efficient and loyal services rendered by each and every employee, without whose whole-hearted efforts, the overall satisfactory performance would not have been possible.

The Directors appreciate and value the contribution made by every member of the IIL family.

For and on behalf of the Board  
**Insecticides (India) Limited**

**(Hari Chand Aggarwal)**  
Chairman & WTD  
DIN-00577015

**(Rajesh Kumar Aggarwal)**  
Managing Director  
DIN-00576872

Place: Delhi  
Dated: May 28, 2024

## Annexure - 1

## FORM NO. AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

## Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

## Part "A": Subsidiaries

Name of Subsidiary	IIL Biologicals Limited	IIL Overseas DMCC (Dubai)
The date since when subsidiary was acquired	15/07/2022	01/05/2023
Reporting Currency	INR	AED
Reporting currency and Exchange rate as on the last date of the relevant	Not Applicable	1 AED = INR 22.702
Financial Year in the case of foreign subsidiaries.		
Share capital (₹ In Lacs)	200.00	11.351
Reserves and surplus (₹ In Lacs)	(64.39)	-
Total assets (₹ In Lacs)	382.80	0.06
Total Liabilities (₹ In Lacs)	247.18	11.28
Investments (₹ In Lacs)	87.85	-
Turnover (₹ In Lacs)	45.35	-
Profit/loss before taxation (₹ In Lacs)	(70.03)	(0.47)
Provision for taxation (₹ In Lacs)	(11.75)	-
Profit/loss after taxation (₹ In Lacs)	(58.28)	(0.47)
Proposed Dividend	Nil	Nil
Extent of shareholding (in percentage)	100%	100%

**Notes:** The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations – There were no business operations in IIL Overseas DMCC for the year ended March 31, 2024
- Names of subsidiaries which have been liquidated or sold during the year – Not Applicable

## Part "B": Associates and Joint Ventures

## Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Sl. No	Name of Associates/Joint Ventures	(₹ in Lacs)
		OAT & IIL India Laboratories Private Limited (Joint Venture Company)
1.	Latest audited Balance Sheet Date	31.03.2024
2.	Date on which the Associate or Joint Venture was associated or acquired	06.03.2013
3.	Shares of Associate/Joint Ventures held by the company on the year end	
	i. No.	795000
	ii. Amount of Investment in Associates/Joint Venture (₹ In Lacs)	795.00
	iii. Extent of Holding %	20
4.	Description of how there is significant influence	Joint Venture Agreement & Shareholding of 20% in OAT&IIL
5.	Reason why the associate/joint venture is not consolidated	NA
6.	Net worth attributable to Shareholding as per latest audited Balance Sheet (₹ In Lacs)	1651.65
7.	Profit / Loss for the year (₹ In Lacs)	
	i. Considered in Consolidation	20%
	ii. Not Considered in Consolidation	80%

**Notes:**

- Names of associates or joint ventures which are yet to commence operations. – Not Applicable
- Names of associates or joint ventures which have been liquidated or sold during the year. -Not Applicable

For and on behalf of the Board  
**Insecticides (India) Limited****(Hari Chand Aggarwal)**Chairman & WTD  
DIN-00577015**(Rajesh Kumar Aggarwal)**Managing Director  
DIN-00576872Place: Delhi  
Dated: May 28, 2024

## ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

### 1. Brief outline of the Company's Corporate Social Responsibility (CSR) policy:

At IIL, the CSR policy applies to all activities undertaken as part of our Kissan Jaagrakta and Project Vidhya, CSR Programme. The Company's CSR Policy is in adherence to the provisions of Section 135 of the Companies Act, 2013 read with rules framed thereunder and provides for carrying out CSR activities and further developed and updated in accordance with the code.

The Company undertakes all its CSR activities through IIL Foundation which primarily focuses on promoting education, health, enhancing environmental, enhance natural capital, creating livelihoods for people especially those from disadvantaged sections of society, through various Non-Profit Organizations as well.

The CSR spend may be carried out by way of donation to the corpus of the above 'Non-Profit Organisations' or contribution towards some specific project being undertaken by any of the organisations or to Central / State Government Relief Funds or directly by the Company. The CSR policy is available on Company's website. The web link of the same is [https://www.insecticidesindia.com/wp-content/uploads/2024/03/P3\\_CSRP\\_2023.pdf](https://www.insecticidesindia.com/wp-content/uploads/2024/03/P3_CSRP_2023.pdf).

### 2. Composition of the CSR committee

Name of Director	Designation	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
Shri. Hari Chand Aggarwal	Chairman	4	3
Shri. Rajesh Kumar Aggarwal	Member	4	4
Shri. Virjesh Kumar Gupta	Member	4	4
Shri. Shyam Lal Bansal*	Member	NA	NA

\* Shri. Shyam Lal Bansal has been appointed as the member of the Corporate Social Responsibility and Sustainability committee w.e.f March 26, 2024.

### 3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:

- Composition of CSR committee: <https://www.insecticidesindia.com/board-of-directors/>
- CSR Policy :[https://www.insecticidesindia.com/wp-content/uploads/2024/03/P3\\_CSRP\\_2023.pdf](https://www.insecticidesindia.com/wp-content/uploads/2024/03/P3_CSRP_2023.pdf)
- CSR projects :[https://www.insecticidesindia.com/wp-content/uploads/2024/03/P3\\_CSRP\\_2023.pdf](https://www.insecticidesindia.com/wp-content/uploads/2024/03/P3_CSRP_2023.pdf).

### 4. Provide the executive summary along with web-link of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8, if applicable):

Not Applicable

- Average net profit of the Company as per Section 135(5) : **12,297.67 Lacs**
  - Two percent of average net profit of the company as per Section 135(5) : **245.95 Lacs**
  - Surplus arising out of the CSR projects or programmes or activities of the previous financial years : **Nil**
  - Amount required to be set off for the financial year, if any : **Nil**
  - Total CSR obligation for the financial year (7a+ 7b - 7c) : **245.95 Lacs**
- Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) : **247.07 Lacs**
  - Amount spent in Administrative Overheads : **00.002 Lacs**
  - Amount spent on Impact Assessment, if applicable : **Not Applicable**
  - Total amount spent for the Financial Year (8b+8c+8d+8e) : **247.07 Lacs**

- e. CSR amount spent or unspent for the financial year : **FY 2023-2024**

Total Amount Spent for the Financial Year (₹ in lakhs)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer
₹ 247.07	Not Applicable				

- f. Excess amount for set off, if any: **Not Applicable**

Sl. No	Particular	Amount (in ₹)
i.	Two percent of average net profit of the company as per section 135(5)	Not Applicable
ii.	Total amount spent for the Financial Year	
iii.	Excess amount spent for the financial year [(ii)-(i)]	
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	
v.	Amount available for set off in succeeding financial years [(iii)-(iv)]	

## 7. Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (₹ in lakhs)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in Rs.)	Amount Spent in the Financial Year (₹ in lakhs)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any.		Amount remaining to be spent in succeeding financial years (₹ in lakhs)	Deficiency, if any
					Amount (₹ in lakhs)	Date of transfer		
1.	2023-2024							
2.	2022-2023							
3.	2021-2022							
<b>TOTAL</b>								

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

**No**

If Yes, enter the number of Capital assets created/ acquired:

**Not Applicable**

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					(6)		
(1)	(2)	(3)	(4)	(5)	CSR Registration no. if any	Name	Registered address
Not Applicable							

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

**Not Applicable**

For and on behalf of the Board  
**Insecticides (India) Limited**

**(Hari Chand Aggarwal)**

Chairman of CSR Committee  
DIN-00577015

**(Rajesh Kumar Aggarwal)**

Managing Director  
DIN-00576872

Place: Delhi  
Dated: May 28, 2024

**STATEMENT OF DISCLOSURE OF REMUNERATION UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 AND RULE 5 OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.**

- a. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2023-24:

Table no. I

(₹ in lacs)			
Sl. No	Name of Director	Designation	Ratio to Employee
1	Shri Hari Chand Aggarwal	Chairman & (WTD)	121:1
2	Shri Rajesh Kumar Aggarwal	Managing Director	117:1
3	Smt Nikunj Aggarwal	Whole-time Director	15:1
4	Shri Anil Kumar Goyal	Whole-time Director	5:1

Table no. II

(₹ in lacs)			
Sl. No	Name of Director	Designation	Ratio to Employee
1	Shri Virjesh Kumar Gupta	Independent Director	0.97:1
2	Shri Navin Shah	Independent Director	0.85:1
3	Shri S. Jayaraman*	Independent Director	0.86:1
4	Smt Praveen Gupta	Independent Director	1.06:1
5	Shri Anil Kumar Bhatia	Independent Director	0.97:1
6	Shri Shyam Lal Bansal#	Independent Director	0.34:1
7	Shri Supratim Bandyopadhyay#	Independent Director	0.34:1

\* Shri S. Jayaraman has retired from his position as Director of the Company, w.e.f February 08, 2024, upon the completion of his second term.

# Shri Shyam Lal Bansal and Shri Supratim Bandyopadhyay has been appointed as an Independent Director of the Company w.e.f February 05, 2024.

**Note:**

Directors at above table II are Independent Directors and received only sitting fee during the year. Out of pocket expenses incurred by them for attending the meetings have not been taken into account.

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

Sl. No	Name of Director and KMP	Designation	% Increase in remuneration
1	Shri Hari Chand Aggarwal	Chairman and Whole-time Director	4.49%
2	Shri Rajesh Aggarwal	Managing Director	4.61%
3	Smt Nikunj Aggarwal	Whole-time Director	5.25%
4	Shri Anil Kumar Goyal	Whole-time Director	33.44%
5	Shri Sandeep Aggarwal	Chief Financial Officer	8.64%
6	Shri Sandeep Kumar	Company Secretary	34.62%

- c. The percentage increase in the median remuneration of the employees for the financial year is 8.57%. The median remuneration of the employee of the company for the financial year were ₹ 3.55/- Lakhs (Per Annum)
- d. Total number of employees of the Company for the Financial Year was 1,615. The Company has maintained peaceful and harmonious relations with all its employees.



e. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

- Average percentile increases in the salaries of employees other than managerial personal was 30.51%
- Average increase in remuneration of Managerial personnel (MD and ED of the Company) was 11.95%

Increase in the remuneration of managerial personnel is in line with the industry practice and within the normal range.

f. The company affirms that the remuneration is as per the Remuneration policy of the Company.

g. Statement showing the names and other details of the top ten employees in terms of remuneration drawn along with other particulars. All these employees are in whole time employment of the Company.

Sl. No	Name	Designation/ Nature of Duty	Remuneration P.A. (₹ In Lacs)	Qualification	Age / Experience	Date of Joining	Previous Employment & Designation	% of shareholding in the Company	Relationship to any Director or Manager
1.	Shri Hari Chand Aggarwal <sup>1</sup>	Chairman & Whole Time Director	428.26	High School	75 Years / 48 Years	01/11/2001	Own Business	12.25	Father of Shri Rajesh Aggarwal, MD and Father-in-law of Smt. Nikunj Aggarwal, WTD
2.	Rajesh Kumar Aggarwal <sup>1</sup>	Managing Director	414.94	Graduate	53 Years/ 31 Years	01/11/2001	Own Business	16.60	Son of Shri Hari Chand Aggarwal, Chairman and Husband of Smt Nikunj Aggarwal, WTD
3.	Shri Prajapati Kirankumar Shashikant	Sr. GM Works	59.90	M. Tech	43 Years/ 21.5 Years	18/04/2022	M/s. Anupam Rasayan India Limited, Unit/ Plant Head	0.00	No Relationship with Directors
4.	Smt Nikunj Aggarwal	Whole-time Director	53.67	B. A	51 Years/ 17 Years	02/05/2013	Own Business	15.84	Wife of Shri Rajesh Aggarwal, MD and Daughter-in-law of Shri Hari Chand Aggarwal, Chairman
5.	Shri Sunil Kumar Wasan	VP-Purchase	42.79	B-Tech in Chemicals	54 Years/ 34 Years	23/02/2016	M/s Solrex Pharmaceutical Ltd, Sr. General Manager	0.00	No Relationship with Directors
6.	Shri Sandeep Aggarwal	CFO	41.71	CA	56 Years/ 34 Years	01/08/2011	Self Employed	0.00	No Relationship with Directors
7.	Shri Vinod Kumar Garg	VP – Sales & Marketing (South India)	40.16	B. Com, LLB	65 Years/ 38 Years	01/06/2002	-	0.00	No Relationship with Directors
8.	Shri Arun Kohli	VP – Institutional Sales	37.11	Phd, Management	63Years/ 43 Years	16/08/2017	M/s UPL Limited, Sr. GM Marketing	0.00	No Relationship with Directors

Sl. No	Name	Designation/ Nature of Duty	Remuneration P.A. (₹ In Lacs)	Qualification	Age / Experience	Date of Joining	Previous Employment & Designation	% of shareholding in the Company	Relationship to any Director or Manager
9.	Shri Shailesh Kumar Kantibhai Patel	GM – R&D	36.48	M. Sc	52 Years/ 31 Years	01/07/2019	M/s. Green Tec Chemicals Private Limited, R&D Head	0.00	No Relationship with Directors
10.	Shri Amit Jain	SR. GM - Design & Infra	34.23	B. Arch + M. Arch	54 Years/29 Years	01/04/2022	Self Employed	0.00	No Relationship with Directors

**Note:**

1. These employees were employed throughout the Financial Year 2023-24 and were in receipt of remuneration in the aggregate of not less than Rs. 1,02,00,000 and not less than Rs. 8,50,000 per month for that Financial Year.
2. Neither any of the employee was in receipt of remuneration in that year at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director and nor any of the above employees himself/herself or along with his/her spouse and dependent children holds 2% or more equity shares of the Company.
3. All appointments are/were on contractual basis.

For and on behalf of the Board  
**Insecticides (India) Limited**

**(Hari Chand Aggarwal)**  
 Chairman & WTD  
 DIN-00577015

**(Rajesh Kumar Aggarwal)**  
 Managing Director  
 DIN-00576872

Place: Delhi  
 Dated: May 28, 2024

## Annexure - 4

## CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO

Pursuant to Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014]

### A. Conservation of resources and Energy

#### i. Steps taken or impact on conservation of energy:

Recognizing the urgent need to address climate change, we have embarked on a journey to minimize our greenhouse gas (GHG) emissions and reduce our carbon footprint. Significant investments in solar energy infrastructure at our Chopanki and Dahej facilities reflect our resolve to transition towards more sustainable energy sources. The installation of solar panels allows us to harness the abundant solar power available in these regions, thereby reducing our reliance on fossil fuels and mitigating our impact on the environment. In the year 2023-24 we consumed 15,76,604 Kwh produced from our rooftop solar plants in comparison to 14,73,314 Kwh consumed last year.

Moreover, our investments extend to the acquisition of cutting-edge equipment designed to minimize solvent and water usage. These technologies are not only environmentally friendly but also enhance the efficiency of our manufacturing processes. The time and energy savings associated with these equipment upgrades contribute to our overall productivity, allowing us to maintain a competitive edge while upholding our environmental responsibilities.

As in the past, the Company continued to stress upon measures for the conservation and optimal utilisation of energy in all the areas of operations. Within the Company there are continuous efforts towards improving operational efficiencies, minimizing consumption of natural resources and reducing water, energy & CO<sub>2</sub> emissions while maximizing production volumes. We also focus on promoting biodiversity within the vicinity of our plants by conducting a tree plantation drive every year at all plants. Moreover, all our plants and operations are ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 compliant.

#### ii. The steps taken by the company for utilizing alternate sources of energy:

During previous reporting period the Company has installed the Solar Power Plants in its two manufacturing facilities.

#### iii. Capital investment on energy conservation equipment:

The Company continuously endeavours to discover usages on new technologies and tools to save the energy and reduce consumption. At Dahej Plant, we have opted for boilers powered by briquettes—a biomass fuel—over the conventional natural gas-fired boilers, this reflects

our commitment to exploring and utilizing alternative fuels that have a lower carbon footprint, thus further solidifying our position as a leader in sustainable industrial practices. We continued our efforts on conservation of resources through automation, highly efficient utilization, adoption of efficient machines which helps us to conserve resources, while efficient waste management and reduction in carbon emission.

### B. Technology absorption

#### The efforts made towards technology absorption:

Technology is everyday changing and employees of the Company are made aware with the latest techniques and technologies through various workshops and discussions for optimum utilization of the available resources.

We have adopted IT in such a way that its beneficial to derive product improvement, cost reduction, product development or import substitution. Product improvement and cost reduction is always the Company's priority while we choose new equipment.

In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): Your Company has not imported any technology during last three years. However, the Company has spent on the research and development of various products.

### C. Research and Development (R&D)

i. Specific areas in which R&D carried out by the Company - Your Company put emphasis on R&D and spends enormous amounts and efforts in R&D for gaining industrial experiences. We have a highly experienced team of dedicated scientists focusing on the development of a variety of niche products in the crop protection. Established in JV with globally renowned R&D player from Japan, the four R&D units have helped the Company develop innovative and niche products which have propelled the growth of the Company and partner the growth of the agriculture sector. The Company's QC labs are NABL accredited, which has dedicated professional scientist who carry out a wide range of chemical reactions with an analytical support of GC, HPLC, GC Mass, AAS, UV and Infrared Spectrophotometer e, among others.

ii. Benefits derived as a result of the above R&D - During the year under review, the company has introduced several products for the benefit of the farmers. Company has launched revolutionary products during the year named as Mission Million, Supremo SP, Green Expert, Nakshtra, Mycoraja Pro, Nirog, turner. Further, following are the enlisted R&D activities of the companies:

- a. Till date the Company has filed 45 patents out of which 24 patents are already received.
- b. During the period, 5 patents granted to the Company.
- c. The Company has R&D workforce of about 85+ Scientists which includes the scientists of OAT & IIL Laboratories Pvt. Ltd.
- d. The R&D Team has developed more than 60 processes.
- e. With the increase in thrust on cost optimisation R&D team of IIL have focused on specific cost reduction projects for the molecules which are already generic in the regulated market, which has experienced price erosion.

iii. Future plan of action - Steps are continuously being taken for innovation and renovation of products including new product development, improvement of packaging and enhancement of product quality / profile, to offer better products at relatively affordable prices to the consumers. The Company expected to introduce 5-6 new products during the year 2025.

#### The expenditure incurred on Research and Development:

(₹ in Lacs)	
Particulars	Amount
Capital	141.34
Recurring	521.23
OAT & IIL Laboratories Private Limited	360.23
<b>Total</b>	<b>1022.80</b>

#### D. Foreign exchange earnings and Outgo

During the year under review, your company has applied for licenses in various countries to increase its export, these initiatives were taken to improve the exports; development of new export market for products and export plans.

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows-

(₹ in Lacs)	
Particulars	Amount
Foreign exchange earned	10029.07
Foreign exchange outgo	46542.64

For and on behalf of the Board  
**Insecticides (India) Limited**

**(Hari Chand Aggarwal)**  
 Chairman & WTD  
 DIN-00577015

**(Rajesh Kumar Aggarwal)**  
 Managing Director  
 DIN-00576872

Place: Delhi  
 Dated: May 28, 2024

## Annexure - 5

# Business Responsibility & Sustainability Report

## SECTION A

### General Disclosures

#### I. Details of the entity

1.	<b>Corporate Identity Number (CIN) of the Listed Entity</b>	L65991DL1996PLC083909
2.	<b>Name of the Listed Entity</b>	Insecticides (India) Limited
3.	<b>Year of incorporation</b>	1996
4.	<b>Registered office address</b>	401-402, Lusa Tower, Azadpur Commercial Complex, Delhi - 110033
5.	<b>Corporate address</b>	401-402, Lusa Tower, Azadpur Commercial Complex, Delhi - 110033
6.	<b>E-mail</b>	<a href="mailto:investor@insecticidesindia.com">investor@insecticidesindia.com</a>
7.	<b>Telephone</b>	(+) 91 11-45532209
8.	<b>Website</b>	<a href="http://www.insecticidesindia.com">www.insecticidesindia.com</a>
9.	<b>Financial year for which reporting is being done</b>	FY 2023-24
10.	<b>Name of the Stock Exchange(s) where shares are listed</b>	1. BSE Limited (BSE) 2. National Stock Exchange of India Limited (NSE)
11.	<b>Paid-up Capital</b>	INR 29,59,78,370
12.	<b>Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report</b>	Mr. Sandeep Kumar Company Secretary & CCO Contact Number: 011-45870222 Email Id: <a href="mailto:cs.sandeep@insecticidesindia.com">cs.sandeep@insecticidesindia.com</a>
13.	<b>Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together):</b>	Disclosures made in the report are on standalone basis.
14.	<b>Name of assurance provider</b>	None
15.	<b>Type of assurance Obtained</b>	Not applicable

#### II. Products/services

##### 16. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Manufacturing/Trading	Manufacturing and trading of Agro-Chemicals	100 %

##### 17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Insecticides	20211	45%
2	Herbicides	20211	33%
3	Fungicides	20211	19%
4	Biologicals & plant growth regulators (PGR's)	20219	3%

### III. Operations

#### 18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	6	28	34
International	0	0	0

#### 19. Markets served by the entity:

##### a. Number of locations

Locations	Value (in numbers)
National (No. of States)	34
International (No. of Countries)	22

##### b. What is the contribution of exports as a percentage of the total turnover of the entity?

The contribution of exports as a percentage of the total turnover of Insecticides India Limited is **5.07%**

##### c. A brief on types of customers: We provide crop protection solutions to farmers. We also serve to distributors to ensure that our ultimate customers, that is, farmers get the best of our products.

### IV. Employees

#### 20. Details as at the end of Financial Year (FY 2023-24):

##### a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<b>Employees</b>						
1.	Permanent (D)	797	769	96%	28	4%
2.	Other than Permanent (E)	734	734	100%	0	0%
<b>3.</b>	<b>Total employees (D + E)</b>	<b>1531</b>	<b>1503</b>	<b>98%</b>	<b>28</b>	<b>2%</b>
<b>Workers</b>						
4.	Permanent (F)	818	811	99%	7	1%
5.	Other than Permanent (G)	33	33	100%	0	0%
<b>6.</b>	<b>Total workers (F + G)</b>	<b>851</b>	<b>844</b>	<b>99%</b>	<b>7</b>	<b>1%</b>

##### b. Differently abled Employees and workers (FY 2023-24):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C/A)
<b>Differently Abled Employees</b>						
1.	Permanent (D)	0	0	0%	0	0%
2.	Other than Permanent (E)	0	0	0%	0	0%
<b>3.</b>	<b>Total Employees (D+E)</b>	<b>0</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>
<b>Differently Abled Workers</b>						
4.	Permanent (F)	0	0	0%	0	0%
5.	Other than Permanent (G)	0	0	0%	0	0%
<b>6.</b>	<b>Total workers (F+G)</b>	<b>0</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>

#### 21. Participation/Inclusion/Representation of women

	Total (A)	No. (B)	No. and percentage of Females
			% (B / A)
Board of Directors	10	2	20%
Key Management Personnel	6	1	17%

## 22. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)\*

	FY 2023-24			FY 2022-23			FY 2021-22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	12%	8%	12%	16%	10%	16%	14%	10%	14%
Permanent Workers	23%	13%	23%	27%	0%	27%	22%	0%	22%

\* From this year onwards, we have started tracking turnover rate separately for employees and workers, so we have restated the value for previous two years.

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

### 23. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/ No)
1	OAT & IIL India Laboratories Private Limited	Joint Venture	20%	No
2	IIL Biologicals Limited	Subsidiary	100%	No
3	IIL Overseas DMCC (Dubai)	Subsidiary	100%	No

## VI. CSR Details

24. i.	Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No):	<b>Yes</b>
ii.	Turnover (in ₹):	<b>19,66,38,55,177.24</b>
iii.	Net worth (in ₹):	<b>10,11,10,42,056.74</b>

## VII. Transparency and Disclosures Compliances

### 25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2023-24			FY 2022-23		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes ( <a href="https://www.insecticidesindia.com/wp-content/uploads/2024/03/P3_CSRP_2023.pdf">https://www.insecticidesindia.com/wp-content/uploads/2024/03/P3_CSRP_2023.pdf</a> )	0	0	-	0	0	-
Investors (other than shareholders)	Yes ( <a href="https://www.insecticidesindia.com/wp-content/uploads/2023/08/P1_IGRP_2021.pdf">https://www.insecticidesindia.com/wp-content/uploads/2023/08/P1_IGRP_2021.pdf</a> )	0	0	-	0	0	-
Shareholders		12	0	-	22	0	-
Employees and workers	Yes ( <a href="https://www.insecticidesindia.com/wp-content/uploads/2024/04/P17_CodeofConductandGuidelines_2023_links.pdf">https://www.insecticidesindia.com/wp-content/uploads/2024/04/P17_CodeofConductandGuidelines_2023_links.pdf</a> )	0	0	-	0	0	-
Customers	"Yes (Customer Care Number & Email ID available on packaging labels)"	0	0	-	0	0	-
Value Chain Partners	Yes (App and Emails)	0	0	-	0	0	-

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

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format.

S. No.	Material identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, Approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate Positive or negative implications)
1	Business Ethics	Opportunity	Business ethics practices within the organization are imperative for establishing trust, accountability, integrity, and transparency, while also fostering trust with stakeholders.	A strong corporate governance framework includes policies like Insider Trading Prevention, Related Party Transaction Policy, Whistle blower Policy, and Codes of Conduct for both the board and employees.	Positive
2	Economic Performance	Opportunity	The economic performance significantly affects the financial well-being and sustainability of the company, as well as its capacity to attract investors, lenders, and suppliers.	-	Positive
3	Research & Development	Opportunity	Research and development (R&D) is pivotal in providing a competitive edge to the organization.	-	Positive
4	Material Management	Risk	Efficient material management practices reduce costs, minimize waste, optimize resource use, and ensure regulatory compliance for the organization.	Diversifying raw material sources reduces dependency and enhances efficiency.	Positive
5	Water Management	Risk	Efficient water management guarantees sustainable operations for the organization while reducing environmental impact. Implementing proper water management practices helps in minimizing wastewater and mitigating the risks of water scarcity.	Developing an alternative water resource through water harvesting.	Negative
6	Waste Reduction	Risk	Waste generated during manufacturing, whether hazardous or non-hazardous, can present environmental and health risks while being costly to manage. Implementing waste reduction strategies helps organizations mitigate their environmental impact and lower operating costs	To educate employees at the production facilities, Insecticides (India) Limited has Waste Management Policy	Negative
7	Product Safety & Transparency	Opportunity	Given that chemical products can present risks to both human health and the environment, it is imperative for organizations to prioritize product safety and offer transparent information regarding the chemicals employed in their products. This fosters trust with customers and other stakeholders.	Insecticides (India) Limited consistently involves itself in raising farmers' awareness to educate them on the judicious use of products.	Negative



S. No.	Material identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, Approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate Positive or negative implications)
8	Supply Chain Management	Opportunity	Efficient supply chain management practices are crucial for guaranteeing product quality, safety, and on-time delivery, all while reducing environmental impact.	-	Positive
9	Occupational Health & Safety	Risk	Handling chemicals presents significant safety risks. Therefore, the Occupational Health and Safety (OHS) system ensures employee well-being, lowers the likelihood of accidents and injuries, and aids in minimizing liabilities and related costs.	Insecticides (India) Limited conducts routine internal and external safety audits, prioritizing the safety and well-being of workers across all plants. Additionally, IIL maintains the necessary safety certifications.	Negative
10	Diversity & Equal Opportunity	Opportunity	Diversity & Equal Opportunity can stimulate innovation, attract and retain top talent, and bolster the company's reputation and social acceptance, ultimately leading to long-term success and financial performance.	-	Positive
11	Human Rights	Opportunity	Respecting the human rights of all stakeholders is a legal and ethical imperative that pervades every aspect of a company's operations.	-	Positive
12	Local Communities	Opportunity	Fostering enduring relationships with local communities and contributing to society are paramount.	-	Positive

**SECTION  
B**
**Management and Process Disclosures**

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Policy and management processes</b>									
1. a. Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/ No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/ No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available	<a href="https://www.insecticidesindia.com/policies/">https://www.insecticidesindia.com/policies/</a>								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	No	No	No	No	No	No	No	No	No
4. Name of the national and international codes/ certifications/labels/ standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trusts) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	Our manufacturing locations are ISO 9001, ISO 14001 and ISO 45001 certified.								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Under Principle 3, IIL understands and is dedicated towards creating a diverse workforce. It has set a specific gender diversity target to achieve 18% female representation of our workforce at executive level and above by March 2025  Additionally, IIL is also striving to increase percentage of differently abled workforce as part of total workforce.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	As of March 2024, IIL has 16% women representation in its workforce at the executive level and above								
<b>Governance, leadership and oversight</b>									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure):	We recognise the growing importance of ESG factors for our stakeholders. We are committed to transparency and accountability regarding our ESG performance. We are confident that a strong ESG focus will create long-term value for our stakeholders								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	CSR & Sustainability Committee and Management Core team headed by Mr Hari Chand Aggarwal is responsible for implementation and oversight of ESG strategy and business responsibility policies								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Insecticides India Limited has a CSR & Sustainability Committee led by Mr. Hari Chand Aggarwal – Chairman & WTD with members Mr Rajesh Kumar Aggarwal - Managing Director and Mr Shyam Lal Bansal - Independent Director								

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Annually								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	The frequency of compliance requirement differs based on respective authority's deadline. All compliances are met before due date								

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P1	P2	P3	P4	P5	P6	P7	P8	P9
	No	No	No	No	No	No	No	No	No

12. If answer to question (1) above is “No” i.e., not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principles material to its business (Yes/No)									
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

Not Applicable

**SECTION  
C**
**Principle Wise Performance Disclosure**

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally, and ethically responsible.

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

#### Essential Indicators

#### 1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	2	1. Company overview and directors' responsibility 2. Skill upgradation- regulatory updates	100%
Key Managerial Personnel	2	1. Human Rights 2. Environmental Awareness	100%
Employees other than BoD and KMPs*	3	1. POSH 2. Human Rights 3. Environmental awareness	10%
Workers**	4	1. First aid and CPR 2. Fire fighting 3. Accident Training 4. Electrical Safety	65%

\*At present, trainings are only given to employees situated in head office.

\*\* At present, only mandatory safety trainings given to workers across the plants are being tracked. Moving forward, rest will be tracked.

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

(Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

#### Monetary

	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	Nil	Nil	Nil	Nil	Nil
Settlement	Nil	Nil	Nil	Nil	Nil
Compounding fee	Nil	Nil	Nil	Nil	Nil

**Non-Monetary**

	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Nil	Nil

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

Insecticides India Limited is committed to conducting business with honesty, integrity, and transparency. The Company has well established Bribery Prevention guidelines which outlines our commitment to preventing bribery and corruption in all its operations and relationships. These guidelines are part of its Code of Conduct which can be accessed here [https://www.insecticidesindia.com/wp-content/uploads/2024/04/P17\\_CodeofConductandGuidelines\\_2023\\_links.pdf](https://www.insecticidesindia.com/wp-content/uploads/2024/04/P17_CodeofConductandGuidelines_2023_links.pdf)

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

	FY 2023-24	FY 2022-23
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

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

	FY 2023-24		FY 2022-23	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	Nil	Nil	Nil
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	Nil	Nil	Nil

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Not applicable

8. Number of days of accounts payables

	FY 2023-24	FY 2022-23
Number of days of accounts payables	102	108

## 9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2023-24	FY 2022-23
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	11.37%	11.01%
	b. Number of trading houses where purchases are made from	17	17
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	94.23%	92.29%
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	71.88%	70.80%
	b. Number of dealers / distributors to whom sales are made	8230	7501
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	4.12%	4.47%
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	2.40%	2.77%
	b. Sales (Sales related parties / Total Sales)	0.88%	0.70%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	0%	0%
	d. Investments (Investments in related parties / Total Investments made)	0%	0%

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



### Essential Indicators

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

	FY 2023-24	FY 2022-23*	Details of improvements in Environmental and social impacts
R&D	35.22%	40.88%	Investment for innovation of new molecules to improve the soil health and productivity
Capex	13.82%	3%	Installation of equipment's to reduce the consumption of solvent, water and time in the manufacturing process

\* Due to internal error, we have restated the values for FY 2022-23

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

We interact regularly with our suppliers. Our topic of discussion includes pricing, quality, availability of material, regulations and environmental & social landscape. Efforts are made to enhance their awareness on environmental and social aspects of supply chain. Further, we plan to develop a framework to evaluate them on environment, health and safety indicators.

- If yes, what percentage of inputs were sourced sustainably?**

Not applicable

- Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

We are in process of developing procedures to safely reclaim our products for reuse, recycling, or proper disposal at the end of their life cycle. We understand the importance of implementing such processes to ensure responsible and sustainable waste management practices. We are proactively exploring avenues in consultations with the industry.

- Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

Not applicable

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

#### Essential Indicators

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

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent employees</b>											
Male	769	754	98.05%	769	100%	0	0%	0	0%	0	0%
Female	28	28	100%	28	100%	28	100%	0	0%	0	0%
<b>Total</b>	<b>797</b>	<b>782</b>	<b>98.12%</b>	<b>797</b>	<b>100%</b>	<b>28</b>	<b>3.51%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>
<b>Other than Permanent employees</b>											
Male	734	0	0%	0	0%	0	0%	0	0%	0	0%
Female	0	0	0%	0	0%	0	0%	0	0%	0	0%
<b>Total</b>	<b>734</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>

##### b. Details of measures for the well-being of workers:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent workers</b>											
Male	811	539	66.46%	811	100%	-	-	0	0%	0	0%
Female	7	4	57.14%	7	100%	7	100%	0	0%	0	0%
<b>Total</b>	<b>818</b>	<b>543</b>	<b>66.38%</b>	<b>818</b>	<b>100.00</b>	<b>7</b>	<b>0.86%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>
<b>Other than Permanent workers</b>											
Male	33	0	0%	0	0%	0	0%	0	0%	0	0%
Female	0	0	0%	0	0%	0	0%	0	0%	0	0%
<b>Total</b>	<b>33</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>

##### c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –

	FY 2023-24	FY 2022-23
Cost incurred on well-being measures as a % of total revenue of the company	0.075%	0.026%

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

Benefits	FY 2023-24			FY 2022-23		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Y	100%	100%	Y
Gratuity	100%	100%	Y	100%	100%	Y
ESI	1.80%	19.50%	Y	1.74%	14.47%	Y

### 3. Accessibility of workplaces

**Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.**

We are committed towards creating an environment where differently abled employees can navigate with ease and flourish professionally. Our facilities include ramps and elevators to promote ease of movement for persons with disabilities. We continuously strive to identify and address barriers, actively soliciting feedback from our diverse workforce to refine and enhance our accessibility initiatives.

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

We believe in providing equal opportunities to all our employees and all qualified applicants for employment, without regard to their race, caste, religion, colour, ancestry, marital status, sex, age, nationality, disability, and veteran status. Our aim is to provide fair treatment to our employees and treat them with respect, dignity and create equal opportunities for employment and career advancement. We have well established equal opportunities framework which is part of our Code of Conduct which can be accessed here [https://www.insecticidesindia.com/wp-content/uploads/2024/04/P17\\_CodeofConductandGuidelines\\_2023\\_links.pdf](https://www.insecticidesindia.com/wp-content/uploads/2024/04/P17_CodeofConductandGuidelines_2023_links.pdf)

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

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	100%	100%	100%
Female	100%	100%	100%	100%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

### 6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Yes
Other than Permanent Workers	Yes
Permanent Employees	Yes
Other than Permanent Employees	Yes

ILL has a framework in place for addressing grievances, issues pertaining to human rights of its workforce. The mechanism is based on three levels:

- Level 1: The affected employee submits their grievance to their immediate supervisor, either verbally or in writing. The supervisor is required to take action to resolve the matter within three working days. If the issue pertains to policy matters, it is escalated to the HR Head.
- Level 2: If the employee is dissatisfied with the response from their immediate supervisor, he/she may escalate the grievance along with the supervisor's reply to their HOD/Unit Head or HR Head. Within three working days, the HOD/Unit Head or HR Head will address the grievance and offer guidance.
- Level 3: If the grievance remains unresolved, it is forwarded to the Grievances Redressal Committee. The committee examines the grievance, gathering input and perspectives from its members. Within seven working days, the Grievance Redressal Committee provides its recommendation to the Chairman for consideration and appropriate action, if necessary. The Chairman's decision is final and binding on all parties involved.

This grievance redressal process ensures that individual grievances are promptly and fairly addressed, fostering a positive work environment and facilitating effective conflict resolution.



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

	FY 2023-24			FY 2022-23*		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D/C)
<b>Total Permanent Employees</b>	797	0	0%	736	0	0%
Male	769	0	0%	713	0	0%
Female	28	0	0%	23	0	0%
<b>Total Permanent Workers</b>	818	0	0%	736	0	0%
Male	811	0	0%	728	0	0%
Female	7	0	0%	8	0	0%

\*Values for FY 2022-23 now only include permanent employees and workers

## 8. Details of training given to employees and workers:

Category	FY 2023-24					FY 2022-23				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
Male	1503	254	16.90 %	23	1.53 %	1351	1121	82.97%	0	0%
Female	28	1	3.57 %	3	10.57 %	23	16	69.56%	0	0%
<b>Total</b>	<b>1531</b>	<b>255</b>	<b>16.60%</b>	<b>26</b>	<b>1.70%</b>	<b>1374</b>	<b>1137</b>	<b>82.75%</b>	<b>0</b>	<b>0%</b>
<b>Workers</b>										
Male	844	526	62.32 %	0	0%	1574	1574	100%	1574	100%
Female	7	2	28.57 %	0	0%	8	8	100%	8	100%
<b>Total</b>	<b>851</b>	<b>528</b>	<b>62.04%</b>	<b>0</b>	<b>0%</b>	<b>1582</b>	<b>1582</b>	<b>100%</b>	<b>1582</b>	<b>100%</b>

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

Category	FY 2023-24			FY 2022-23*		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
<b>Employees</b>						
Male	1503	769	51.16%	1351	713	52.78%
Female	28	28	100%	23	23	100%
<b>Total</b>	<b>1531</b>	<b>797</b>	<b>52.06%</b>	<b>1374</b>	<b>736</b>	<b>53.57%</b>
<b>Workers</b>						
Male	844	811	96.09%	1574	728	46.25%
Female	7	7	100%	8	8	100%
<b>Total</b>	<b>851</b>	<b>818</b>	<b>96.12%</b>	<b>1582</b>	<b>736</b>	<b>46.52%</b>

\*Performance and career development reviews is conducted only for permanent employees and workers, owing to this we are restating the data for FY 2022-23.

## 10. Health and safety management system:

- a) Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

Our Company prioritizes the health and safety of its workforce through a robust occupational health and safety management system. All our facilities are certified with ISO 45001 which ensures that we manage risks and dedicated in improving our OH&S performance. Consequently, we are committed to provide safe workplace and healthy environment for our workforce and visitors. Our commitment is based on our Quality, Environment, Health & Safety Policy.

**b) What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

All our facilities are certified with ISO 45001 ensuring risk management and improving occupational health and safety performance. Our work-related hazards and risk assessment process consists of the following steps:

- Hazards identification: look at each of our processes and identify the potential threats.
- Risk assessment: identify the OH&S risks and other risks that are associated with the hazards.
- Improvement: plan actions to address the risks

We provide continuous training to our workforce to report occupational hazards and risks to the concerned HSE team. Additionally, our HSE team conducts periodic walkthrough of the respective facilities to identify any risks and hazards.

**c) Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)**

We promote a culture of reporting of any kind of work-related hazards by our workforce. We urge all employees to promptly report any work-related injuries, unsafe conditions or behaviours, near-misses, or any other safety-related issues to the supervisor or the HSE team.

To streamline this reporting process and ensure its effectiveness, all our manufacturing facilities has instituted a dedicated procedure for reporting such incidents. We treat these observations with utmost seriousness as they are crucial for risk identification and implementing corrective measures to improve workplace safety.

**d) Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)**

Our manufacturing facilities have an Occupational Health Centre (OHC) to deal with any occupational injury. The doctors in these OHCs also attend to basic non-occupational medical and healthcare requirement of workforce. Our OHC team provides further assistance in case the issue remains unresolved at the OHC.

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

Safety Incident/Number	Category*	FY 2023-24	FY 2022-23
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0	0
Total recordable work-related injuries	Employees	0	0
	Workers	0	0
Number of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

\*Including the contract workforce

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

All our facilities are ISO 45001 certified. We believe workplace safety is paramount to workforce health and operations. We ensure safe and healthy workplace through robust safety management systems. Some of the initiatives to ensure safe and healthy workplace includes:

- Regular Risk Assessments
- Following Safety Procedures
- Regular safety trainings and awareness sessions
- Encouraging employee participation in safety discussions
- Encourage reporting of incidents

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

	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	-	0	0	-
Health & Safety	0	0	-	0	0	-

**14. Assessments for the year:**

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

**15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.**

Not applicable

**PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders**



**Essential Indicators**

**1. Describe the processes for identifying key stakeholder groups of the entity.**

We acknowledge that farmers are integral stakeholders, and their welfare and advancement are paramount to us. We are dedicated to delivering products that not only impress our customers but also comply with the safety and quality standards mandated by law. The company acknowledges Employees, Shareholders, Communities, Suppliers/partner/vendors, and regulatory bodies as key stakeholders, both internal and external, based on their direct influence on the company's operations and functioning. Additionally, the company periodically interacts with analysts and news media.

**2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Farmers	Yes	1. Awareness campaigns 2. Visits 3. Farmer meetings 4. Mass media, social media and call centres	Quarterly	1. Awareness of the right usage of agrochemicals 2. Understanding the challenges faced by them while using Agro- Chemical
Shareholders	No	1. Annual Report 2. Press Releases 3. Investor Presentation 4. Corporate Website 5. Quarterly and Annual Results 6. Corporate Announcement on Stock Exchanges	Quarterly	1. Financial information 2. Return on investment 3. Company developments

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	1. Customer feedback and satisfaction survey	Quarterly	1. Product details 2. Product pricing 3. Product feedback 4. New product development 5. Better service 6. Products quality 7. Competitive price
Employees	No	1. Induction program 2. Conferences 3. Engagements Surveys 4. Workshops 5. Training program	Quarterly	1. Benefits provided to employees 2. Understanding challenges faced by employees (if any)
Communities	No	1. Community Visits 2. Interaction with Local Bodies in areas of operation 3. CSR Activities	Quarterly	1. Understanding challenges faced by these communities 2. Feedback on CSR activities carried out
Suppliers	No	1. Open house vendor meetings 2. Meetings through associations	Half-Yearly	1. Vendor assessment and review 2. Pricing and quality issues 3. Supply chain issues/ solutions
Regulatory Bodies	No	1. Regulatory filings 2. Facility inspections 3. Annual reports	Quarterly	1. Compliance with regulatory requirements

## PRINCIPLE 5: Businesses should respect and promote human rights



### Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy (ies) of the entity, in the following format:

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees workers covered (D)	% (D / C)
<b>Employees</b>						
Permanent	797	83	10.41%	736	0	0%
Other than permanent	734	0	0%	638	0	0%
<b>Total Employees</b>	<b>1531</b>	<b>83</b>	<b>5.42%</b>	<b>1374</b>	<b>0</b>	<b>0%</b>
<b>Workers*</b>						
Permanent	818	0	0%	736	0	0%
Other than permanent	33	0	0%	846	0	0%
<b>Total Workers</b>	<b>851</b>	<b>0</b>	<b>0%</b>	<b>1582</b>	<b>0</b>	<b>0%</b>

\*At present, human rights training is only tracked for employees. Moving forward, we will also track for workers.

## 2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2023-24					FY 2022-23				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
<b>Permanent</b>	<b>797</b>	<b>0</b>	<b>0%</b>	<b>797</b>	<b>100%</b>	<b>736</b>	<b>0</b>	<b>0%</b>	<b>736</b>	<b>100%</b>
Male	769	0	0%	769	100%	713	0	0%	713	100%
Female	28	0	0%	28	100%	23	0	0%	23	100%
<b>Other than Permanent</b>	<b>734</b>	<b>0</b>	<b>0%</b>	<b>734</b>	<b>100%</b>	<b>638</b>	<b>0</b>	<b>0%</b>	<b>638</b>	<b>100%</b>
Male	734	0	0%	734	100%	638	0	0%	638	100%
Female	0	0	0%	0	0%	0	0	0%	0	0%
<b>Workers</b>										
<b>Permanent</b>	<b>818</b>	<b>0</b>	<b>0%</b>	<b>818</b>	<b>100%</b>	<b>736</b>	<b>0</b>	<b>0%</b>	<b>736</b>	<b>100%</b>
Male	811	0	0%	811	100%	728	0	0%	728	100%
Female	7	0	0%	7	100%	8	0	0%	8	100%
<b>Other than Permanent</b>	<b>33</b>	<b>0</b>	<b>0%</b>	<b>33</b>	<b>100%</b>	<b>846</b>	<b>0</b>	<b>0%</b>	<b>846</b>	<b>100%</b>
Male	33	0	0%	33	100%	846	0	0%	846	100%
Female	0	0	0%	0	0%	0	0	0%	0	0%

## 3. Details of remuneration/salary/wages

### a. Median remuneration/wages:

	Male		Female	
	Number	Median remuneration/ salary / wages of respective category (in INR)	Number	Median remuneration/ salary/ wages of respective category (in INR)
Board of Directors (BoD)	9*	99.60 Lacs	2	48 Lacs
Key Managerial Personnel	5	41.71 Lacs	1	48 Lacs
Employees other than BoD and KMP	1498	4.52 Lacs	27	6.36 Lacs
Workers	844	4.09 Lacs	7	2.61 Lacs

\* Shri S Jayaraman has retired from the position of Independent Directorship w.e.f February 08, 2024.

### b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2023-24	FY 2022-23
Gross wages paid to females as % of total wages	3.39%	3.31%

## 4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

We ensure that fundamental human rights are respected, valued and protected for our workforce. Our policies, practices, procedures are formed accordingly. Further, the Nomination, Remuneration and Ethics Committee is responsible to address any human rights impact or issues that arise in the Company.

## 5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

At Insecticides (India) Limited, we prioritize human rights principles and are dedicated to treating all employees with dignity and respect. To ensure these values are consistently maintained across our operations and engagements with stakeholders, we have established robust guidelines on human rights which is part of our code of conduct and can be accessed at [https://www.insecticidesindia.com/wpcontent/uploads/2024/04/P17\\_CodeofConductandGuidelines\\_2023\\_links.pdf](https://www.insecticidesindia.com/wpcontent/uploads/2024/04/P17_CodeofConductandGuidelines_2023_links.pdf).

These guidelines underscore the importance of safeguarding human rights, promoting non-discrimination, and ensuring fair treatment. Moreover, we acknowledge our responsibility to uphold the rights of workers, customers, suppliers, and the communities where we operate.

We have a three tier grievance redressal of issues pertaining to human rights with structured levels of escalation which includes submission to immediate supervisor, HR head, HoD/Unit Head and the Grievance redressal committee. Refer to Principle 3, Question 6 for further details

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

	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	Nil	Nil		Nil	Nil	
Discrimination at workplace	Nil	Nil		Nil	Nil	
Child Labour	Nil	Nil		Nil	Nil	
Forced Labour/ Involuntary Labour	Nil	Nil		Nil	Nil	
Wages	Nil	Nil		Nil	Nil	
Other human rights related issues	Nil	Nil		Nil	Nil	

**7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:**

	FY 2023-24	FY 2022-23
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	0
Complaints on POSH as a % of female employees/ workers	0%	0%
Complaints on POSH upheld	0	0

**8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

Insecticides India is dedicated in ensuring a supportive workplace for its workforce. We have established a strong mechanism to safeguard individuals who report incidents of discrimination or harassment. This includes protecting complainants from retaliation and victimisation. Moreover, our mechanism ensures that reporting such incidents will not have any adverse impact on the complainant's employment status or opportunities for career advancement within the Company. In furtherance to achieve this, IIL has a POSH policy which is in accordance with the Sexual Harassment at Workplace (Prevention, Prohibition, and Redressal) Act, 2013 and Whistleblower Policy.

Both of our policies can be accessed here;

POSH Policy: [https://www.insecticidesindia.com/wp-content/uploads/2024/07/POSH\\_Policy-2023-updated.pdf](https://www.insecticidesindia.com/wp-content/uploads/2024/07/POSH_Policy-2023-updated.pdf)

Whistleblower Policy: <https://www.insecticidesindia.com/wp-content/uploads/2021/02/WhistleBlowerPolicy.pdf>

**9. Do human rights requirements form part of your business agreements and contracts?**

We, at IIL, recognise and respect human rights for our workforce and expect the same from our vendors. Further, we encourage our vendors to be compliant with all laws and regulations and adhere to all safety and social standards at their workplace.

**10. Assessments for the year:**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others – please specify	100%

**11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.**

Not applicable

## PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

### Essential Indicators

#### 1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2023-24	FY 2022-23
<b>From renewable sources</b>		
Total electricity consumption (A) (GJ)	5,675.77	5,303.93
Total fuel consumption (B) (GJ)	7,52,934.00	71,778.13
Energy consumption through other sources (C) (GJ)	-	-
<b>Total energy consumed from renewable sources (A+B+C)</b>	<b>7,58,609.77</b>	<b>77,082.06</b>
<b>From non-renewable sources</b>		
Total electricity consumption (D) (GJ)	68,581.49	53,843.79
Total fuel consumption (E) (GJ)	11,57,214.81	1,56,030.72
Energy consumption through other sources (F) (GJ)	-	-
<b>Total energy consumed from non-renewable sources (D+E+F)</b>	<b>12,25,796.30</b>	<b>2,09,874.5</b>
<b>Total energy consumed (A+B+C+D+E+F)</b>	<b>19,84,406.07</b>	<b>2,86,956.56</b>
Energy intensity per rupee of turnover (Total energy consumed/ Revenue from operations)	0.000100916	0.000015919
<b>Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b>	<b>0.000027702</b>	<b>0.00000443</b>
(Total energy consumption/ Revenue from operations adjusted for PPP) (GJ/Crore)		
<b>Energy intensity in terms of physical output</b>	<b>44.20</b>	<b>40.20</b>
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. **Not applicable**

#### 2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

No

#### 3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2023-24	FY 2022-23
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	0	0
(ii) Groundwater	9,994.10	6,373.50
(iii) Third party water	63,375.60	63,979.00
(iv) Seawater / desalinated water	0	0
(v) Others (Rainwater harvesting)	0	0
<b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>	<b>73,369.70</b>	<b>70,352.50</b>
<b>Total volume of water consumption (in kilolitres)</b>	<b>49,656.60</b>	<b>50,624*</b>
Water intensity per rupee of turnover (Total Water consumed / Revenue from operations) (L/Rs)	0.000002523	0.0000028084*
<b>Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b>	<b>0.0000006899</b>	<b>0.0000007821</b>
(Total water consumption/ Revenue from operations adjusted for PPP)		
<b>Water intensity in terms of physical output</b>	<b>1.106</b>	<b>1.17</b>
<b>Water intensity</b> (optional) – the relevant metric may be selected by the entity	-	-

\*Following internal calculations, data for total volume of water consumption has been restated for FY 2022-23

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. **Not applicable**

4. Provided the following details related to water discharged:

Parameter	FY 2023-24	FY 2022-23
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) To Surface water		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(ii) To Groundwater		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iii) To Seawater		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iv) Sent to third parties		
- No treatment	0	0
- With treatment – please specify level of treatment *	23,713	27,819
(v) Others		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
<b>Total water discharged (in kilolitres)</b>	<b>23,713</b>	<b>27,819</b>

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. **Not applicable**

\*Level of treatment:- Pre-liminary treatment

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Insecticides India Limited (IIL) has Zero Liquid Discharge (ZLD) system in three of its manufacturing facilities in Chopanki, Udampur, and Sambha. Other than these three facilities, our fourth manufacturing facility in Dahej has a state-of-the-art wastewater treatment plant ensuring quality and quantity of wastewater discharged is within permissible limits set by Gujarat Pollution Control Boards.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2023-24	FY 2022-23
NOx	MT	17.10	58.27
SOx	MT	29.90	22.220
Particulate Matter (PM)	MT	19.90	26.18
Persistent organic pollutants (POP)		-	-
Volatile organic compounds (VOC)		-	-
Hazardous air pollutants (HAP)		-	-
Others- please specify		-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. **Not applicable**

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2023-24	FY 2022-23
<b>Total Scope 1 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	12,144.97	12,047.31
<b>Total Scope 2 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	13,335.29	10,596.32
<b>Total Scope 1 and Scope 2 emissions intensity per rupee of turnover</b> (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	-	0.000001290	0.00000126



Parameter	Unit	FY 2023-24	FY 2022-23
<b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total Scope 1 and Scope 2 GHG emissions/ Revenue from operations adjusted for PPP)	-	0.000000354	0.000000344
<b>Total Scope 1 and Scope 2 emission intensity in terms of physical output</b>	-	0.57	0.52
<b>Total Scope 1 and Scope 2 emission intensity</b> (optional) – the relevant metric may be selected by the entity	-	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. **Not applicable**

**8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.**

As climate change issues are garnering great attention around the world, we, at IIL, are dedicated to reducing our GHG emissions and minimize our carbon footprint across our operations. We have made significant investments in our solar energy infrastructure, installing solar panels across our facilities to harness clean and renewable power. Through this, we are constantly striving to reduce our emissions. Further, at our newly built section within Dahej, we have installed boilers with briquettes as fuel instead of conventional natural gas fired boiler.

**9. Provide details related to waste management by the entity, in the following format:**

Parameter	FY 2023-24	FY 2022-23
<b>Total Waste generated (in metric tonnes)</b>		
Plastic waste (A)	0	0
E-waste (B)	0	0
Bio-medical waste (C)	0	0
Construction and demolition waste (D)	0	0
Battery waste (E)	0	0
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any. (G)	1,301.40	608.62
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector)	Currently, not estimated. In coming year, it will be tracked and reported	Currently, not estimated. In coming year, it will be tracked and reported
<b>Total (A+B + C + D + E + F + G + H)</b>	<b>1301.40</b>	<b>608.62</b>
<b>Waste intensity per rupee of turnover</b> (Total waste generated / Revenue from operations)	0.0000000662	0.0000000338
<b>Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total waste generated / Revenue from operations adjusted for PPP)	0.000000018118	0.000000009403
<b>Waste intensity in terms of physical output</b>	0.028	0.01
<b>Waste intensity</b> (optional) – the relevant metric may be selected by the entity	-	-
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Recycled	5.60	22.458
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
<b>Total</b>	<b>5.60</b>	<b>22.458</b>
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Incineration	-	588.47
(ii) Landfilling	-	-
(iii) Other disposal operations	1279.70	-
<b>Total</b>	<b>1279.70</b>	<b>588.47</b>

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. **Not applicable**

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Our waste management approach aligns with compliance with regulations, guaranteeing appropriate disposal or recycling through authorized facilities. Our prime focus is on recycling and reusing materials, aiming for environmentally sustainable waste treatment. Any hazardous waste generated during production is disposed of by certified third-party agencies authorized by the State Pollution Control Board. These agencies utilize recycling or incineration methods.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Not applicable			

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes/ No)	Relevant Web link
Not applicable					

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Yes, The Company is in compliant with mentioned laws, regulation, guidelines, as applicable.

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Not applicable				

**PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent**

**Essential Indicators**

1. a. **Number of affiliations with trade and industry chambers/ associations.**

Three

- b. **List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.**

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Bombay Chambers of Commerce and Industry (BCCI)	National
2	Crop Care federation of India (CCFI)	National
3	Pesticides Manufacturer & Formulators Association of India	National

2. **Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities.**

Name of authority	Brief of the case	Corrective action taken
NIL	NIL	NIL

**PRINCIPLE 8: Businesses should promote inclusive growth and equitable development**

**Essential Indicators**

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not Applicable					

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity.**

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
Not Applicable						

3. **Describe the mechanisms to receive and redress grievances of the community.**

We care for the communities we are surrounded with. We ensure that no community or its resources are affected due to our operations. Further, we have aligned our Corporate Social Responsibility (CSR) initiatives for the betterment of the communities. As part of our community interaction mechanism, we have dedicated teams to conduct regular engagements with community members to understand their grievances towards us or conduct need assessments to formulate appropriate community development programs.

#### 4. Percentage of input material (inputs to total inputs by value) sourced from suppliers.

	FY 2023-24	FY 2022-23
Directly sourced from MSMEs/ small producers	13.86 %	16.99 %
Sourced directly from within India	66.78 %	60.55 %

#### 5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent/ on contract basis) in the following locations, as % of total wage cost

Location	FY 2023-24	FY 2022-23
Rural	13.02 %	13.16 %
Semi-urban	32.90 %	31.78 %
Urban	24.42 %	25.20 %
Metropolitan	29.66 %	29.85 %

(Locations are categorized as per RBI Classification System as per RBI Classification System – rural/ semi-urban/ urban/ metropolitan)

### PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner



#### Essential Indicators

##### 1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

We are committed to provide the best solutions to our customers. We take customers feedback and complaints seriously and ensure its resolution in the least possible turnaround time. Customers willing to provide any feedback or facing any issues with our solutions can reach out to our customer care number +917231000514. The customer care number is also mentioned every product label. Additionally, our customer can reach out to us from the “Contact Us” section of our website.

##### 2. Turnover of products and/services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	100%
Safe and responsible usage	100%
Recycling and/or safe disposal	0%

##### 3. Number of consumer complaints in respect of the following:

	FY 2023-24			FY 2022-23		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	Nil	Nil	Nil	Nil	Nil	Nil
Advertising	Nil	Nil	Nil	Nil	Nil	Nil
Cyber-security	Nil	Nil	Nil	Nil	Nil	Nil
Delivery of essential services	Nil	Nil	Nil	Nil	Nil	Nil
Restrictive Trade practices	Nil	Nil	Nil	Nil	Nil	Nil
Unfair Trade Practices	Nil	Nil	Nil	Nil	Nil	Nil
Others	Nil	Nil	Nil	Nil	Nil	Nil

##### 4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls		Nil
Forced recalls		

**5. Does the entity have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

We are committed to protecting the data of our stakeholders from cyber risks and threats. Consequently, we have a welldefined framework ensuring cyber security and mitigate risk related to data privacy, which is a part of our code of conduct and can be accessed here at [https://www.insecticidesindia.com/wp-content/uploads/2024/04/P17\\_CodeofConductandGuidelines\\_2023\\_links.pdf](https://www.insecticidesindia.com/wp-content/uploads/2024/04/P17_CodeofConductandGuidelines_2023_links.pdf)

Salient features of the cyber security framework include the following aspects

- Identifying potential threats and vulnerabilities, and assessing their potential impact on the organization's operations and assets
- Implementing measures to control and monitor access to sensitive information and critical systems, including user authentication, authorization levels
- Implementing measures to secure the organization's network infrastructure, including firewalls, intrusion detection and prevention systems
- structured plan and procedures for responding to security incidents and breaches
- Awareness sessions and training programs to employees and those incharge of data privacy on cyber security best practices, such as identifying phishing attempts, using strong passwords
- Protecting endpoints such as desktops, laptops, and mobile devices from malware, ransomware, and other threats through antivirus software
- strategies and contingency plans to maintain critical business operations in the event of a cyber security incident or other disruptions

**6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

Not applicable

**7. Provide the following information relating to data breaches:**

**a. Number of instances of data breaches along-with impact**

Nil

**b. Percentage of data breaches involving personally identifiable information of customers**

Nil

**c. Impact, if any, of the data breaches**

Nil

# Corporate Governance Report

## I. Company's Philosophy on Code of Governance

The Corporate Governance at Insecticides India Limited ("Insecticides India/the Company/IIL") is the core business processes that are directed and controlled to enhance its wealth generating capacity. The Company believes in conducting its business with responsibility, integrity, fairness and transparency and takes into consideration the rights of all stakeholders and endeavours long term value creation for all.

The Company believes that corporate governance is not limited to merely creating checks and balances but it goes beyond the requirements prescribed in the laws and encompasses the basic business ethics and values that need to be adhered.

The Company endeavours to leverage its resources to seize the opportunities and inculcate dynamism and entrepreneurship at all levels. The Company seeks to protect and facilitate the exercise of rights by the shareholders, provides timely information to them and ensures equitable treatment to all the shareholders. The Company encourages co-operation between the stakeholders and the Company and ensures timely and accurate disclosure of all material matters including the financial, performance, ownership and governance of the Company.

## II. Board of Directors

Insecticides (India) Limited recognises and embraces the importance of diverse, well informed Board to ensure high standards of Corporate Governance. At IIL the Board is at the core of our Corporate Governance practice. The Board of Directors, along with its committees, play a fundamental role in upholding and nurturing the principles of good governance in the Company. In addition to the requisite specific professional expertise, management and leadership experience for the given task, members of the Board cover the broadest possible spectrum of knowledge, experience, educational and professional backgrounds.

The Board sets the overall corporate objectives and provides necessary guidance and independence to the Management. The Board operates within a well-defined framework, which enables it to discharge its responsibilities and duties of safeguarding the interests of the Company thereby enhancing stakeholder value. The Board has identified certain core skills and competencies which are required in the context of the business understanding, corporate governance, regulatory, fiduciary and ethical requirements including integrity,

credibility, trustworthiness, strong interpersonal skills and willingness to address issues proactively.

### i. Composition of Board

As on March 31, 2024, the Company has ten Directors. Out of ten directors, six (i.e. 60%) are Independent Directors. The profiles of Directors can be found on <https://www.insecticidesindia.com/board-of-directors/> The composition of the Board is in conformity with Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI 'Listing Regulations') read with Section 149 of the Companies Act, 2013 (the 'Act').

None of the Directors on the Board hold directorships in more than ten public companies including Listed Companies. Further, none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he/she is a Director. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2024 have been made by the Directors. None of the Directors are related to each other except Shri Hari Chand Aggarwal, Shri Rajesh Kumar Aggarwal and Smt. Nikunj Aggarwal.

None of the Directors on the board of the Insecticides (India) Limited have been debarred or disqualified from being appointed or continue as director of the Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority and the certificate of the same has been received from the Company secretary in Practice. A copy of this Certificate is attached to this Report.

All Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act. The maximum tenure of Independent Directors is in compliance with the Act. All the Independent Directors have confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act. Based on the disclosure received from the independent directors and also in the opinion of the board, the independent directors fulfill the conditions as specified in Companies act 2013, the Listing regulations and are independent to the management.

### Lead Independent Director

The Board has designated Shri Anil Kumar Bhatia as the Lead Independent Director. The role of the Lead Independent Director is available on the Company's website at [www.insecticidesindia.com](http://www.insecticidesindia.com).

### Board Meetings

Five (5) Board Meetings were held during the year and the gap between two meetings were according to the Companies Act, 2013 and rules and Regulations made thereunder. The dates on which the said meetings were held: May 30, 2023; August 10, 2023; November 02, 2023; February 05, 2024 and March 26, 2024. The necessary quorum was present for all the meetings.

- ii. The details relating to Composition & Category of Directors, directorships held by them in other companies and their membership and chairmanship on various Committees of Board of other companies as on March 31, 2024 is as follows:

Name of the Director & DIN	Category of Director	Number of Board Meetings attended during the year	Whether attended last AGM	Number of Directorships in other Companies	Number of Committee positions held in other Companies		Share holding (No. of Share)
					Chairman	Member	
Shri Hari Chand Aggarwal (DIN:00577015)	Chairman and Whole Time Director	4	No	-	-	-	3626100
Shri Rajesh Kumar Aggarwal (DIN:00576872)	Managing Director	5	Yes	4	-	-	4912680
Smt. Nikunj Aggarwal (DIN:06569091)	Whole time Director	5	Yes	-	-	-	4687500
Shri. Anil Kumar Goyal (DIN: 09707818)	Whole time Director	4	Yes	-	-	-	-
Shri Navin Shah (DIN:02701860)	Independent Director	5	Yes	1	-	-	-
Shri Virjesh Kumar Gupta (DIN:06382540)	Independent Director	5	Yes	-	-	-	-
Shri S. Jayaraman (DIN:02634470)#	Independent Director	4	Yes	-	-	-	-
Smt. Praveen Gupta (DIN: 00180678)	Independent Director	5	Yes	1	2	2	-
Shri Anil Kumar Bhatia (DIN: 09707921)	Independent Director	5	Yes	-	-	-	-
Shri Shyam Lal Bansal (DIN: 02910086)*	Independent Director	1	NA	2	1	1	-
Shri Supratim Bandyopadhyay (DIN: 03558215)*	Independent Director	1	NA	3	-	2	-

# Shri S. Jayaraman has retired from his position as Director of the Company, w.e.f February 08, 2024, upon the completion of his second term.

\*Shri Shyam Lal Bansal and Shri Supratim Bandyopadhyay has been appointed as an Independent Director of the Company w.e.f February 05, 2024.

Note: In accordance with Regulation 26 of the Listing Regulations, memberships / chairpersonships of only Audit Committee and Stakeholders Relationship Committee of other Indian public limited companies have been considered.

**Names of the other listed entities where the Directors of the Company are Directors and the category of directorships as on March 31, 2024, are as follows:**

Name of Director	Name of Listed Company and Category of Directorship
Shri Hari Chand Aggarwal	-
Shri Rajesh Kumar Aggarwal	-
Smt. Nikunj Aggarwal	-
Shri. Anil Kumar Goyal	-
Shri Navin Shah	-
Shri Virjesh Kumar Gupta	-
Shri S. Jayaraman	-

Name of Director	Name of Listed Company and Category of Directorship
Smt. Praveen Gupta	Prakash Pipes Limited, Independent Director
Shri. Anil Kumar Bhatia	-
Shri Shyam Lal Bansal	-
Shri Supratim Bandyopadhyay	Aditya Birla Sun Life AMC Limited, Independent Director

### iii. Relationship among the Directors

Sl. No	Name of the Directors	Relationship with other Disclosures
1	Shri Hari Chand Aggarwal	Father of Shri Rajesh Kumar Aggarwal and father-in-law of Smt. Nikunj Aggarwal
2	Shri Rajesh Kumar Aggarwal	Son of Shri Hari Chand Aggarwal and Spouse of Smt. Nikunj Aggarwal
3	Smt. Nikunj Aggarwal	Daughter-in-law of Shri Hari Chand Aggarwal and Spouse of Shri Rajesh Kumar Aggarwal

- iv. During the year 2023-2024, information as mentioned in Part A of Schedule II of the SEBI Listing Regulations, has been placed before the Board for its consideration.
- v. The details of the familiarization programme of the Independent Directors and terms and conditions of appointment of the Independent Directors are disclosed on the website of the Company at: <https://www.insecticidesindia.com/wp-content/uploads/2024/04/FAMILIARISATION-2023-2024.pdf>.
- vi. During the FY 2023-2024, information outlined in Part A of Schedule II of SEBI Listing Regulations has been placed before the Board. Furthermore, the board periodically reviews the compliance reports of all laws applicable to the Company.

### vii. Matrix setting out the skills/expertise/competence of the board of directors

The board skill matrix provides a guide as to the core skills, expertise, competencies and other criteria (collectively referred to as 'skill sets') considered appropriate by the board of the Company in the context of its business and sector(s) for it to function effectively and those actually available with the Board. The skill sets will keep on changing as the organisation evolves and hence the board may review the matrix from time to time to ensure that the composition of the skill sets remains aligned to the Company's strategic direction.

The skill sets identified by the board along with its availability assessment collectively for the board and individually for each Director are as under:

Core skills/ Experience/ Competence	Actual Availability with current board	Shri Hari Chand Aggarwal	Shri Rajesh Kumar Aggarwal	Smt. Nikunj Aggarwal	Shri Anil Kumar Goyal	Shri Navin Shah	Shri S. Jayaraman	Shri Vrijesh Kumar Gupta	Smt. Praveen Gupta	Shri Anil Kumar Bhatia	Shri Shyam Lal Bansal	Shri Supratim Bandyopadhyay
<b>Industry Skills</b>												
(a) Agro Chemical Industry	Available	✓	✓	✓	✓	✓	✓	-	-	-	-	-
(b) Creating value through Intellectual Property Rights	Available	-	✓	✓	✓	-	✓	-	✓	✓	-	-
(c) Board Experience	Available	✓	✓	-	-	✓	-	-	✓	✓	✓	✓
(d) Global Operations	Available	-	✓	-	-	-	✓	✓	✓	✓	-	✓
(e) Value supporting inorganic growth	Available	✓	✓	-	✓	✓	✓	✓	✓	✓	✓	✓



Core skills/ Experience/ Competence	Actual Availability with current board	Shri Hari Chand Aggarwal	Shri Rajesh Kumar Aggarwal	Smt. Nikunj Aggarwal	Shri Anil Kumar Goyal	Shri Navin Shah	Shri S. Jayaraman	Shri Vrijesh Kumar Gupta	Smt. Praveen Gupta	Shri Anil Kumar Bhatia	Shri Shyam Lal Bansal	Shri Supratim Bandyopadhyay
<b>Technical skills/experience</b>												
(a) Strategic Planning	Available	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
(b) Risk and compliance oversight	Available	✓	✓	-	✓	✓	✓	-	✓	✓	✓	✓
(c) Marketing	Available	✓	✓	-	✓	✓	✓	✓	✓	✓	✓	-
(d) policy development	Available	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
(e) Accounting, tax, audit & Finance	Available	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
(f) Legal	Available	✓	✓	-	-	-	-	✓	✓	✓	-	-
(g) sales	Available	✓	✓	✓	✓	-	✓	-	-	-	-	-
(h) Human Resource	Available	✓	✓	✓	✓	✓	✓	✓	-	-	-	-
(i) liasoning	Available	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	-
<b>Behavioural Competencies</b>												
(a) Integrity & ethical standards	Available	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
(b) Mentoring abilities	Available	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
(c) Interpersonal Relations	Available	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

- viii. Scheduling and selection of agenda items for Board and Committee meetings - The Board annually holds at least four pre-scheduled meetings. Additional Board meeting may be convened to address the Company's specific needs. In case of business exigencies or urgency, resolutions are passed by circulation. Every quarter, the Board notes compliances of all laws applicable to the Company.
- ix. Succession Planning - the Company believes succession plans should be proactive and rigorous to identify and secure the best possible talent to oversee and manage the organisation. The succession planning process of the Board and the senior management is managed by the Nomination, Remuneration and ethics Committee ("NRC") and reviewed by the Board. The Human Resource Department on a regular basis update the NRC on the succession planning framework and seek their inputs to define a structured leadership succession plan.
- x. During the year 2023-2024, Two meeting of the Independent Directors were held on May 30, 2023 and February 05, 2024. The Independent Directors, inter-alia, reviewed the performance of non-independent directors, and the Board as a whole. None of the Independent Director resigned before the expiry of his/her tenure.

### III. Committee of the Board

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas / activities which concern the Company and need a closer review. The Board Committees are set up under the formal approval of the Board, to carry out clearly defined roles which are considered to be performed by members of the Board, as a part of good governance practice. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. The Minutes of the meetings of all the Committees are placed before the Board for review.

The Board has currently established the following five (5) statutory and one non-statutory Committees:

1. Audit Committee
2. Nomination, Remuneration and Ethics Committee
3. Stakeholders' Relationship Committee
4. Corporate Social Responsibility and Sustainability Committee
5. Risk Management Committee
6. Finance Committee

## 1. Audit Committee

The power, role and terms of reference of the Audit Committee covers the areas as contemplated under Section 177 of the Act and Regulation 18 of Listing Regulations, as applicable, besides other terms as referred by the Board of Directors.

During the year under review, Five (5) Audit Committee Meetings were held on May 30, 2023; August 10, 2023; November 02, 2023; February 05, 2024 and March 26, 2024. The maximum time-gap between any two consecutive meetings did not exceed 120 days.

The composition of the Audit Committee and attendance of members at the meetings of the Audit Committee held during the period are as follows:-

Name of the Member	Category	No. of Meetings held During the Year	Numbers of Meetings attended
Smt. Praveen Gupta	Independent Director - Chairperson	5	5
Shri S. Jayaraman#	Independent Director – Member	5	4
Shri Virjesh Kumar Gupta	Independent Director – Member	5	5
Shri Anil Kumar Bhatia <sup>^</sup>	Independent Director – Member	5	4
Shri Shyam Lal Bansal*	Independent Director – Member	5	1
Shri Supratim Bandyopadhyay*	Independent Director – Member	5	1

# Shri S. Jayaraman has retired from his position as Director of the Company, effective February 08, 2024, upon the completion of his second term. Consequently, ceased to be member of committee.

\* Shri Shyam Lal Bansal and Shri Supratim Bandyopadhyay has been appointed as the member of committee w.e.f. March 26, 2024.

<sup>^</sup> Shri Anil Kumar Bhatia has been appointed as the member of committee w.e.f August 10, 2023.

The Company Secretary acts as the Secretary to the Audit Committee.

### Terms of Reference

- a) Oversight of the Company's financial reporting process and the disclosure of its financial information.
- b) Recommendation for appointment, remuneration and terms of appointment of auditors of the Company.
- c) Approval of payment to statutory auditors for any other services rendered by them.
- d) Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to.
  - Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report.
  - Changes, if any, in accounting policies and practices and reasons for the same.
  - Significant adjustments made in the financial statements arising out of audit findings.
- e) Reviewing with the management the quarterly financial statements before submission to board for approval.
- f) Reviewing with the management the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in offer document/ prospectus/ notice and report submitted by the monitoring agency monitoring the utilisation of proceed of a public or right issue and making appropriate recommendations to the Board to take up steps in this matter.
- g) Review and monitor the auditor's independence and performance, and effectiveness of audit process.
- h) Approval of the related party transactions as per policy of the Company, including granting of omnibus approval for related party transactions.
- Compliance with listing and other legal requirements relating to financial statements.
- Disclosure of any related party transactions.
- Qualifications in the draft audit report.

- |   |  |
|---|--|
| <ul style="list-style-type: none"> <li>i) Scrutiny of inter-corporate loans and investments.</li> <li>j) Examination of the financial statement and the auditor's report thereon;</li> <li>k) Valuation of undertakings or assets of the company, wherever it is necessary</li> <li>l) Evaluation of internal financial controls and risk management systems. Establish a vigil mechanism for directors and employees to report genuine concerns in such manner as may be prescribed.</li> <li>m) Reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems.</li> <li>n) Reviewing the adequacy of internal audit function, if any, including frequency of internal audit.</li> <li>o) Discussion with internal auditors of any significant findings and follow up there on.</li> </ul> | <ul style="list-style-type: none"> <li>p) Reviewing the findings of any internal observations by the internal auditors into matters where there is irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.</li> <li>q) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.</li> <li>r) To review the functioning of the Vigil mechanism.</li> <li>s) Management discussion and analysis of financial condition and results of operations.</li> <li>t) consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders</li> <li>u) The audit committee shall review the information required as per SEBI Listing Regulations.</li> <li>v) Consider other matters, as from time to time be referred to it by the Board.</li> </ul> |
|---|--|

## 2. Nomination, Remuneration and Ethics Committee

The Nomination, Remuneration and ethics Committee is constituted in line with the provisions of Regulation 19 of SEBI Listing Regulations, read with Section 178 of the Act.

During the year, four (4) Nomination, Remuneration and ethics Committee Meetings were held on were held on May 30, 2023; August 10, 2023; November 02, 2023; and February 05, 2024. The necessary quorum was present for all the meetings. The composition of the Nomination, Remuneration and ethics Committee and attendance of members at the meetings of the Nomination, Remuneration and ethics Committee held during the period are as follows:

Name of the Director	Designation	No. of Meetings Held During the Year	Number of Meetings attended
Shri Supratim Bandyopadhyay*	Independent Director – Chairperson	4	-
Shri S. Jayaraman#	Independent Director– Member	4	4
Smt. Praveen Gupta@	Independent Director – Member	4	-
Shri Virjesh Kumar Gupta	Independent Director – Member	4	4
Shri Navin Shah	Independent Director -Member	4	4
Shri Shyam Lal Bansal@	Independent Director -Member	4	-
Shri Anil Kumar Bhatia^	Independent Director-Member	4	3

# Shri S. Jayaraman has retired from his position as Director of the Company, effective February 08, 2024, upon the completion of his second term. Consequently, ceased to be member and chairman of committee.

\* Shri Supratim Bandyopadhyay has been appointed as the chairman and member of committee w.e.f. March 26, 2024

^ Shri Anil Kumar Bhatia has been appointed as member of the committee w.e.f. August 10, 2023 and ceased to be the member w.e.f March 26, 2024.

@ Smt Praveen Gupta and Shri Shyam Lal Bansal has been appointed as the member of the Committee w.e.f March 26, 2024.

The Company Secretary acts as the Secretary to the Nomination, Remuneration and Ethics Committee.

### Terms of Reference

- |   |   |
|---|---|
| <ul style="list-style-type: none"> <li>a) To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and to carry out evaluation of every Directors' performance.</li> </ul> | <ul style="list-style-type: none"> <li>b) Formulation of the criteria for determining qualifications, positive attributes and independence of the Director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees.</li> </ul> |
|---|---|

- c) Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- d) Devising a policy on diversity of board of director
- e) Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors
- f) Determine/ review on behalf of Board of Directors of the Company the compensation package, service agreements and other employment conditions for Managing/Whole Time Director(s).
- g) Determine on behalf of the Board of Directors of the Company the quantum of annual increments/ incentives on the basis of performance of the Key Managerial Personnel.
- h) Formulate, amend and administer stock options plans and grant stock options to Managing / Whole Time Director(s) and employees of the Company.
- i) Delegate any of its power/ function as the Committee deems appropriate to Senior Management of the Company.
- j) The Committee shall review the information required as per SEBI Listing Regulations.

- k) Consider other matters, as from time to time be referred to it by the Board.

#### Performance evaluation criteria for Independent Directors

Pursuant to the provisions of the Section 134 (3)(p) of the Companies Act, 2013 read with SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Nomination Remuneration and Ethics Committee carried out the annual performance evaluation of its Directors individually including the Chairman, and the Board accordingly evaluated the overall effectiveness of the Board of Directors, including its committees based on the ratings given by the Nomination, Remuneration and Ethics Committee of the Company.

A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board' functioning such as Knowledge to perform the role; Time and level of participation; Performance of duties and level of oversight; and Professional conduct and independence.

The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-Independent Directors was also carried out by the Independent Directors. The Directors expressed their satisfaction to the above.

### 3. Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations, read with Section 178 of the Act.

During the year, four (4) Stakeholders Relationship Committee Meetings were held on May 30, 2023; August 10, 2023; November 02, 2023; and February 05, 2024. The necessary quorum was present for all the meetings. The composition of Stakeholders Relationship Committee meeting and number of Stakeholders Relationship Committee meetings attended by the Members during the year is given below:

Name of the Director	Designation	No. of Meeting Held During the Year	Number of Meetings attended
Shri Virjesh Kumar Gupta	Independent Director - Chairperson	4	4
Shri Navin Shah	Independent Director - Member	4	4
Shri Praveen Gupta	Independent Director - Member	4	4
Shri Supratim Bandyopadhyay*	Independent Director - Member	4	-
Shri Anil Kumar Bhatia*	Independent Director - Member	4	-

\* Shri Supratim Bandyopadhyay and Shri Anil Kumar Bhatia has been appointed as the member of the committee w.e.f March 26, 2024.

The Company Secretary acts as the Secretary to the Stakeholders' Relationship Committee.

### Terms of Reference

- |   |   |
|---|---|
| <p>a) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.</p> <p>b) Review of measures taken for effective exercise of voting rights by shareholders.</p> <p>c) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar &amp; Share Transfer Agent.</p> | <p>d) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.</p> <p>e) The Committee shall review the information required as per SEBI Listing Regulations.</p> <p>f) Consider other matters, as from time to time be referred to it by the Board.</p> |
|---|---|

### Details of No. of Shareholder's complaint received, No. of Complaints not solved to the satisfaction of shareholders and No. of pending complaints

Sl. No.	Nature of Complaints	Received	Resolved	Pending
1	Non-receipt of Dividend Warrants and Dividend Draft Revalidation in respect of Shares	08	08	Nil
2	Revision in TDS and other related	03	03	Nil
3	Other	01	01	Nil
	<b>Total</b>	<b>12</b>	<b>12</b>	<b>Nil</b>

There is **Nil** complaint during the year which is not solved to the satisfaction of shareholders.

### Compliance officer

Shri Sandeep Kumar,

Company Secretary and Chief Compliance Officer of the Company

## 4. Corporate Social Responsibility and Sustainability (CSR) Committee

The Corporate Social Responsibility and Sustainability (CSR) Committee is constituted in line with the provisions of Section 135 of the Act.

During the year, four (4) meetings of the Corporate Social Responsibility and Sustainability Committee were held on May 30, 2023; August 10, 2023; November 02, 2023; and February 05, 2024. The necessary quorum was present for all the meetings. The composition of Corporate Social Responsibility and Sustainability Committee meeting and number of Corporate Social Responsibility and Sustainability Committee meetings attended by the Members during the year is given below:

Name of the Director	Designation	No. of Meeting Held During the Year	Meetings attended
Shri Hari Chand Aggarwal	Executive Director – Chairperson	4	3
Shri Rajesh Kumar Aggarwal	Executive Director – Member	4	4
Shri Virjesh Kumar Gupta	Independent Director – Member	4	4
Shri Shyam Lal Bansal*	Independent Director – Member	4	-

\* Shri Shyam Lal Bansal has been appointed as the member of the committee w.e.f March 26, 2024.

The Company Secretary acted as the Secretary to the Corporate Social Responsibility and Sustainability Committee.

### Terms of Reference

The Terms of reference of Corporate Social Responsibility and Sustainability Committee include:

- a) To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activity to activities to be undertaken by the Company as per the Schedule VII of the Companies Act, 2013.
- b) To recommend the amount of expenditure to be incurred on the activities related to CSR; and
- c) To monitor the Corporate Social Responsibility Policy of the Company from time to time.
- d) The Committee shall review the information required as per SEBI Listing Regulations.
- e) Consider other matters, as from time to time be referred to it by the Board.

## 5. Risk Management Committee

Risk Management Committee has been constituted as per the requirement of Regulation 21 of the Listing Regulations. In order to strengthening Company's position in governance, risk management, sustainability and compliance (GRC) and also for the developing framework for risk management and stakeholders' value creation on sustainable basis.

The Company satisfies the requirement of Regulation 21 of the Listing Regulations, which states that the majority of Committee shall consist of members of the Board of Directors; senior executives of the Company may be members of the said committee but Chairman of the Risk Committee shall be member of the Board of Directors.

During the year under review, four (4) Risk Management Committee Meetings were held on May 30, 2023; August 10, 2023; November 02, 2023; and February 05, 2024.

The composition of the Risk Management Committee and attendance of members at the meetings of the Risk Management Committee held during the period are as follows-:

Name of the Director	Designation	No. of Meeting Held During the Year	Numbers of meetings attended
Shri Shyam Lal Bansal*	Independent Director - Chairperson	4	0
Shri. Rajesh Kumar Aggarwal*	Managing Director - Member	4	4
Shri Anil Kumar Bhatia @	Independent Director - Member	4	3
Shri S. Jayaraman^	Independent Director – Member	4	4
Smt.Shri Praveen Gupta#	Independent Director - Member	4	4

\* Shri Shyam Lal Bansal has been appointed as the Chairperson of Risk Management Committee in place of Shri Rajesh Kumar Aggarwal w.e.f March 26, 2024. Shri Rajesh Kumar Aggarwal continued to be a member in the committee.

@ Shri Anil Kumar Bhatia has been appointed as the member of the Committee w.e.f. August 10, 2023.

^ Shri S. Jayaraman has retired from his position as Director of the Company, effective February 8, 2024, upon the completion of his second term. Consequently, ceased to be member of committee.

# Smt Praveen Gupta ceased to be member of the Committee w.e.f March 26, 2024.

The Company Secretary acts as the Secretary to the Risk Management Committee.

### Terms of Reference

- 1) To formulate a detailed risk management policy which shall include:
  - a) A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
  - b) Measures for risk mitigation including systems and processes for internal control of identified risks.
  - c) Business continuity plan.
- 2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- 3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- 4) To periodically review the risk management policy, including by considering the changing industry dynamics and evolving complexity;
- 5) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

- 6) To review of appointment, removal and terms of remuneration of the Chief Risk Officer (if any) in line with the SEBI LODR regulations.
- 7) Advise sustainable strategy and policy on climate change, health, safety and environment, social and community matters;
- 8) Ensure appropriateness of the Sustainability management systems and frameworks.
- 9) Ensure effectiveness of the company's external reporting of sustainability performance and its participation in external benchmarking indices.
- 10) Ensure that a safe and healthy working environment is a primary objective and is fundamental to the Company's business operations;
- 11) Keep upto date with Environmental, Social and Governance (ESG) best practices and thought leadership.
- 12) Responsible for the oversight of diversity & inclusion (D&I) matters, people and community engagement and monitoring of corporate culture in support of the company's purpose and values, reporting to the Board on such matters as appropriate.
- 13) Balance non-financial targets and commitments with the sustainability strategy with the delivery of financial value for shareholders and other stakeholders.
- 14) Bring best practice thinking and ongoing awareness of global developments in sustainability.
- 15) Any other activities as per the requirement of the Listing Regulations and /or the Companies Act, 2013 and other applicable provisions or suggested norms, if any.

## 6. Finance Committee

Finance Committee has been constituted by the Board of Directors to take day to day operations decisions.

During the year, five (05) Finance Committee Meetings were held as on April 07, 2023; May 30, 2023; September 01, 2023; November 02, 2023; February 05, 2024.

The necessary quorum was present for all the meetings. The composition of the Finance Committee and number of Finance Committee meetings attended by the Members during the year are given below:

Name of the Director	Designation	No. of Meeting Held During the Year	Number of Meetings attended
Shri Hari Chand Aggarwal	Executive Director - Chairperson	05	05
Shri Rajesh Kumar Aggarwal	Executive Director - Member	05	05
Smt. Nikunj Aggarwal	Executive Director - Member	05	05
Shri Sandeep Aggarwal	Chief Financial Officer - Member	05	05

The Company Secretary acted as the secretary to the Finance Committee.

### Terms of Reference

- a) To Overview the day to day working of the Company;
- b) Review of working capital and cash flow management;
- c) Review of banking arrangement and taking all necessary actions connected therewith including refinancing for optimization of borrowing costs (subject to overall limit of borrowing);
- d) Investment of the funds of the Company (subject to compliance of all applicable provisions of Companies Act, 2013);
- e) Review, consider and advice to the board any other matter related to the Finance and management of the Company;
- f) To negotiate with the banks in regard reduction of rate of interest, open new account and closure of accounts;
- g) Give authority for creation, modification, satisfaction of charge on assets of the company, hypothecation on movable and immovable assets of the Company;
- h) Power to authorize the persons/officers/ Directors or any other person in relation

- to representation before the government authorities, courts, quasi-judicial bodies, banks and any other authorities as may be required;
- i) Decision to open or close and authorise the persons/officer/ director for DEMAT, Trading and Bank Accounts for the Company for the purpose of investment or any other purpose
- j) To make allotment pursuant to Bonus, right, preferential or any other kind of issue as approved by the Board and authorise personal of the Company for the matter incidental thereto;
- k) Overview and take actions on the works of urgent matters;
- l) Delegate any of its power, if required, to one or more members;
- m) Any other matter to execute the foregoing.
- n) The Finance Committee shall not take any policy related decisions of the Company.

#### IV. Senior Management

- a. Particulars of the Senior Management during the Financial Year ended March 31, 2024:

S. No	Name	Designation/ Nature of Duty	Qualification	Experience	Date of Joining
1.	Shri Sandeep Aggarwal	CFO	CA	34 Years	01/08/2011
2.	Shri Sandeep Kumar	CS	CS & LLB	15 Years	15/04/2017
3.	Shri Sanskar Aggarwal	Executive Vice President	Graduate	3 Years	01/09/2020
4.	Shri Shrikant S. Satwe	Sr. VP - International Business	MSC-Agri and PGDMS	35 Years	08/12/2014
5.	Shri P.C. Pabbi	Sr. VP – Commercial & Liasoning	M.A	41 Years	01/11/2001
6.	Shri M. K. Singhal	VP – Sales & Marketing	PGDM, M.com	41 Years	18/12/2001
7.	Shri Sanjay Vats	VP – Sales & Marketing	BSc-Agriculture	36 Years	01/04/2003
8.	Shri Sunil Kumar Wasan	VP - Purchase	B-tech in Chemicals	34 Years	23/02/2016
9.	Shri Vinod Kumar Garg	VP – Sales & Marketing (South India)	B.Com, LLB	38 Years	01/06/2002
10.	Shri Arun Kohli	VP – Institutional Sales	Phd, Management	43 Years	16/08/2017
11.	Shri Sanjeev Aggarwal	VP - Operations	Bsc, PGDCA	33 Year	01/04/2002
12.	Dr. Lokesh Chander Rohela	AVP - Quality	Phd, Synthetic Organic Chemistry, IIT-Delhi	40 Years	09/01/2013
13.	Shri Prajapati Kirankumar Shashikant	Sr. GM Works	M. Tec	21.5 Years	18/04/2022
14.	Shri Shailesh Kumar Kantibhai Patel	GM – R&D	M. Sc	31 Years	01/07/2019
15.	Dr. Mukesh Kumar Aggarwal	AVP – R&D	Phd and MSC	30 Years	21/12/2001
16.	Shri Mette Koteswara Rao	GM - Works	BSC	30 Years	19-09-2016
17.	Shri Tapan Kumar Maiti	GM - Production	BE Chemical	28 Years	01-07-2023

- b. During the period, the changes in the Senior Management or Key Management Personnel of the Company are as follows:

S. No	Name	Designation	Qualification	Date of Appointment	Date of Resignation	Reason of Resignation
NIL						



## V. Remuneration of Directors:

### 1. Non-Executive Directors:

(₹ in lacs)

Name	Sitting Fees
Shri Navin Shah	3.00
Shri Virjesh Kumar Gupta	3.45
Shri S. Jayaraman	3.05
Smt. Praveen Gupta	3.75
Shri Anil Kumar Bhatia	3.45
Shri Shyam Lal Bansal	1.20
Shri Supratim Bandyopadhyay	1.20

### 2. Chairman, Managing Director and Executive Director

(₹ in lacs)

Name	Shri Hari Chand Aggarwal	Shri Rajesh Kumar Aggarwal*#	Smt. Nikunj Aggarwal*#	Shri Anil Kumar Goyal
Designation	Chairman and WTD	Managing Director	Whole-time Director	Whole-time Director
Salary & Allowances	115.20	98.04	45.60	13.90
Bonus/Performance Incentive	305.76	305.16	2.40	0.73
Perquisites	0.40	0.40	0.40	00
Companies Contribution to PF	6.91	6.19	2.88	0.87
Stock options	NA	NA	NA	NA
Tenure	5 years	5 years	5 years	5 years
Notice Period & Severance Pay	Three Months	Three Months	Three Months	Three Months
Performance Criteria	As per Agreement	As per Agreement	As per Agreement	As per Agreement

**Note:**

\*The above figures do not include amount of NPS, provisions for gratuity and premium paid for Group Health Insurance as separate actuarial valuation/premium paid is not available.

# Premium paid for employer employee policies which will be assigned to the director upon completion

The remuneration to Non-Executive Directors is based on the Nomination and Remuneration Policy of the Company. The detail of the policy is available on the website of the Company with the following link <https://www.insecticidesindia.com/wp-content/uploads/2020/10/NR-POLICY-FINAL-AMEND-09.08.2016.pdf>

None of the Non-Executive Directors has any pecuniary relationship or transactions with the Company and its associates.

## VI. General Body Meetings

### a) Annual General Meetings: Venue, Date & Time of last 3 (Three) Annual General Meetings:

AGM	Financial Year	Date	Time	Venue#
26th	2022-2023	September 23, 2023	03:00 PM	VC/OAVM
25th	2021-2022	September 23, 2022	03:00 PM	VC/OAVM
24th	2020-2021	September 09, 2021	03:00 PM	VC/OAVM

# Video Conferencing/ Other Audio-Visual Means – Registered office shall be the Deemed venue

**b) Special Resolution(s) passed in the previous 3 (Three) Annual General Meetings**

Financial Year	Subject Matter	Date
26th	NA	September 23, 2023
25th	1) Re-appointment of Shri Hari Chand Aggarwal (DIN: 00577015) as Chairman & Whole-time Director for the period of 5 years w.e.f. October 01, 2022; 2) Re-appointment of Smt. Nikunj Aggarwal (DIN: 06569091) as Whole-time Director for the period of 5 years w.e.f. May 02, 2023; 3) Appointment of Shri Anil Kumar Goyal (DIN: 09707818) as a Whole-time Director for the period of 5 years w.e.f. August 20, 2022; 4) Appointment of Shri Anil Kumar Bhatia (DIN: 09707921) as an Independent Director for the period of 5 years w.e.f. August 20, 2022;	September 23, 2022
24th	1) Ratification of the age of Shri Virjesh Kumar Gupta (DIN: 06382540) who will attain the age of Seventy Five Years	September 09, 2021

**c) No Extra-Ordinary General Meeting held during Financial Year 2023-2024**
**d) Special Resolution passed through Postal Ballot**

Pursuant to Section 110 of the Act read with Rule 22 of the Companies (Management and Administration) Rules, 2014, during the year under review, The Company has sought approval of shareholders vide Postal Ballot Notice dated March 26, 2024.

Shri Mayank Dubey, Practicing Company Secretaries (Membership No.-F9203, COP-10819) Proprietor of M. D. & Associates, was appointed as the Scrutinizer for conducting the Postal Ballot exercise in a smooth manner.

During the year under review, following items were passed through Postal Ballot Notice dated March 26, 2024. Remote E-voting therein commenced on March 30, 2024 at 9:00 A.M. and concluded on April 28, 2024 at 5:00 P.M.

Sr No.	Particulars	Type of Resolution	Voting in Favor (%)	Voting against (%)
1	Appointment of Shri Shyam Lal Bansal (DIN: 02910086) as an Independent Director of the company to hold office for a term of five consecutive years with effect from February 03, 2024 till February 04, 2029	Special	99.9973	0.0027
2	Appointment of Shri Supratim Bandyopadhyay (DIN: 03558215) as an independent director of the company to hold office for a term of five consecutive years with effect from February 05, 2024 till February 04, 2029	Special	99.9974	0.0026

**Procedure of Postal Ballot**

- The Remote e-voting period commenced from Saturday, March 30, 2024 at 9:00 A.M. (IST) and close of working hours i.e. 5:00 P.M. (IST) on Sunday, April 28, 2024, and the e-voting module was blocked by CDSL thereafter.
- On Thursday, March 28, 2024, the Company had completed the dispatch of Postal Ballot notice to those Members whose name(s) appeared in the Register of Members/ List of beneficial owners as on the cut-off date i.e., March 22,

2024 received from Depositories i.e. National Securities Depository Limited (“NSDL”), Central Depository Services (India) Limited (“CDSL”), Registrars and Share Transfer Agent of the Company (“RTA”) and whose e-mail id’s were registered with the Depositories or with RTA. Pursuant to the MCA Circulars, the Company had dispatched the notice through e-mails only. Thus, the Company was not required to dispatch the postal ballot notice to those members whose e-mail Id’s were not registered with the Company and/or Depositories.

- iii. As per rule 20 read with rule 22 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 47 of listing regulations, Newspaper Advertisements with respect to Postal Ballot Notice were published by the Company in “Business Standards” (English), all editions and in “Business Standards” (Hindi), New Delhi edition, on March 29, 2024 informing about the completion of dispatch of Postal Ballot notice to those Members who registered their e-mail id’s with the depositories or with RTA of the Company along with other related matters mentioned therein. However, the Company had also given an option to the members to register their e-mail Id’s with the Company and/or their Depository Participant, in case not yet registered.
- iv. During the remote e-voting period, voting rights were reckoned on the paid-up value of equity shares registered in the names of the Members as on the cut-off date, March 28, 2024.
- v. Scrutinizer had monitored the process of e-voting through the scrutinizer’s secured link provided by CDSL through its designated website. After the completion of scrutiny, the Scrutiniser submitted his Report within time stipulated in the Listing Regulations, and the resolutions were deemed to have been passed on the last date of remote e-voting.

## VII. Means of Communication

Timely and transparent disclosure of pertinent and trustworthy information concerning corporate financial performance stands as the cornerstone of effective

governance. To achieve this objective, key measures that have been implemented includes:

### Quarterly Results

- i) The quarterly and half-yearly results of the Company were announced within 45 days of the end of quarter and financial year end results were announced with 60 days of the end of the financial Year. In order to attain maximum shareholders, reach the results were published in leading newspaper in India which includes ‘Business Standard (English) and ‘Business Standard (Hindi). The results containing limited review report and audit report, as the case may be, are also displayed on Companies website <https://www.insecticidesindia.com/investors-desk/>.
- ii) Press Releases and presentations on results from time to time are promptly made available on the Company’s website <http://www.insecticidesindia.com>. The Company organizes earnings call with analysts and investors after the announcement of financial results. The transcript of the earnings call is also uploaded on the Company’s website.
- iii) The Company’s official news and other important investor related information are periodically informed to the Stock Exchanges in a prompt manner and updated on the company’s website, also. The website of the Company contains a separate dedicated section ‘Investor Desk’ where shareholders’ information is available.
- iv) The Environmental, Social and Governance (ESG) Report and Company’s Annual Report is also available in the website of the Company. A Management Discussion and Analysis Report is a part of this Annual Report.

## VIII. GENERAL SHAREHOLDER INFORMATION

### 1. 27th Annual General Meeting:

Date : August 12, 2024  
 Time : 3:00 PM (IST)  
 Venue : The meeting will be held through VC / OAVM

As required Regulation 36(3) of the SEBI Listing Regulations, particulars of Director seeking re-appointment at the forthcoming AGM are given herein and in the Annexure to the Notice of the AGM held on Monday, August 12, 2024.

### 2. Financial Calendar

Financial Year : April 1 to March 31

### 3. Calendar of financial year ended March 31, 2024

The meetings of Board of Directors for approval of quarterly/half-yearly /annually financial results during the financial year ended March 31, 2024 were held on the following dates:

First Quarter Results	:	August 10, 2023
Second Quarter/ Half yearly Results	:	November 02, 2023
Third Quarter Results	:	February 05, 2024
Fourth Quarter and Annual Results	:	May 28, 2024

Tentative Calendar of Board meetings to approve quarterly /half-yearly/annually financial results for the FY 2024-25 are given below:

First Quarter Results	:	On and before August 14, 2024
Second Quarter/ Half yearly Results	:	On and before November 14, 2024
Third Quarter Results	:	On and before February 14, 2025
Fourth Quarter and Annual Results	:	On and before May 30, 2025

4. **Dividend Payment** : For the FY 2023-2024, the Company has already paid the interim dividend of ₹ 3/- per share (i.e 30%) per equity shares (Face value of ₹ 10/- each). This interim dividend is being placed in the notice of the ensuing Annual General Meeting for confirmation by the shareholders of the Company.

### 5. Annual Book Closure : Not Applicable

### 6. Unclaimed Dividends and Transfer to IEPF :

Pursuant to Section 124 of Companies Act, 2013 and Investor Education and Protection Fund Authority(Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended from time to time), the Company has transferred the unpaid or unclaimed Interim dividend and all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more i.e. for the financial year(s) 2015-16 on the due date to the Investor Education and Protection Fund (IEPF) administered by the Central Government.

Pursuant to the Rule 5(8) of Investor Education and Protection Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on September 23, 2023 (date of last Annual General Meeting) on the website of the Company ([www.insecticidesindia.com](http://www.insecticidesindia.com)) and also on the website of the Ministry of Corporate Affairs.

As per Regulation 43 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, no shares are lying in the suspense account of the Company.

#### Detail of Unclaimed Dividend and equity shares transferred to IEPF:

Financial Year	Amount of Unclaimed dividend transferred (₹)	Number of Shares Transferred
2015-16 (Final)	67,650/-	90

### 7. Listing on Stock Exchanges : BSE Ltd

P.J. Towers, Dalal Street,  
Mumbai – 400 001

#### The National Stock Exchange of India Ltd. (NSE)

“Exchange Plaza”  
Bandra Kurla Complex, Bandra(E),  
Mumbai – 400 051

Annual listing fee for the financial year 2023-24, has been paid by the Company to BSE and NSE.

Annual custodian charges of Depository have also been paid to NSDL and CDSL.

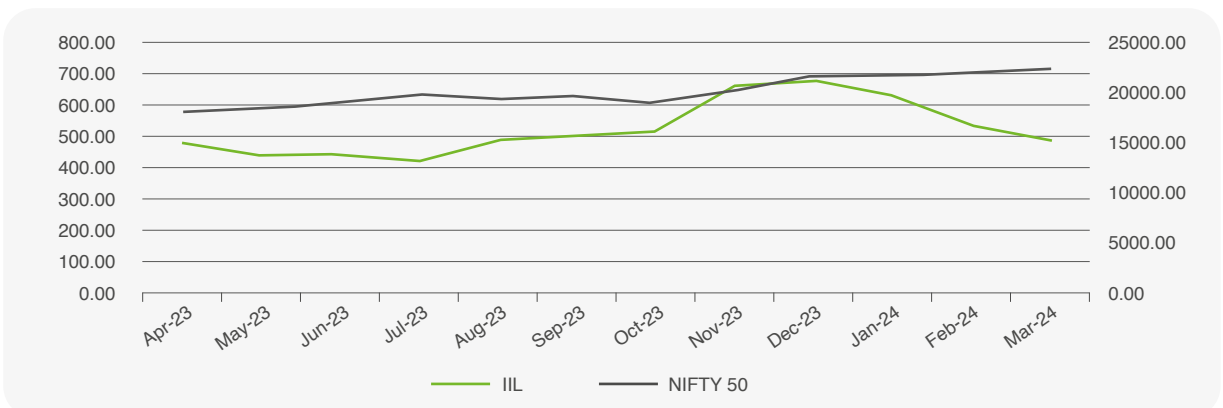
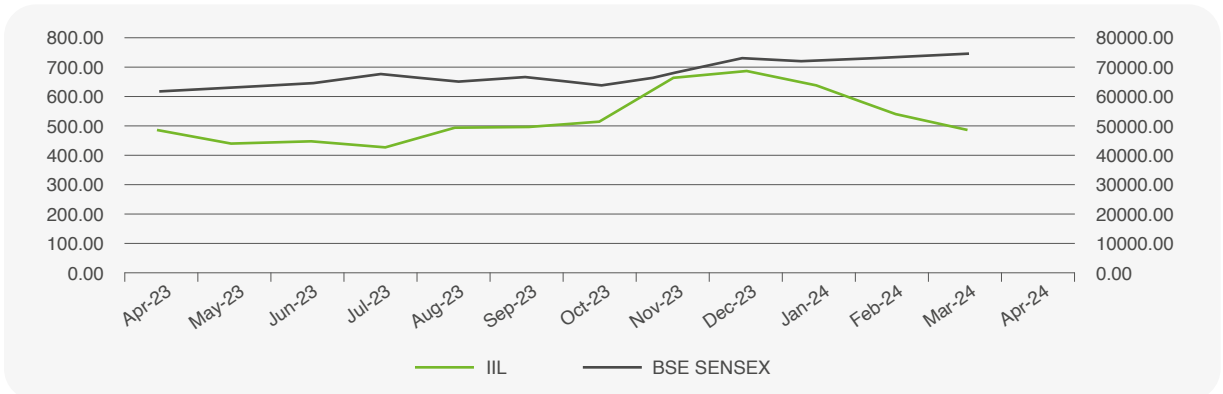
8. **Stock Code / Symbol** : NSE - INSECTICID; BSE - 532851  
 9. **ISIN No.** : INE070I01018  
 10. **Corporate Identification Number (CIN) of the Company** : L65991DL1996PLC083909

#### 11. Market Price data:

The monthly high and low quotations, as well as the volume of shares traded at BSE and NSE for the period from 01st April, 2023 to 31st March, 2024 are given below:

Month	BSE			NSE		
	Month's High Price (₹)	Month's Low Price (₹)	Traded Quantity	Month's High Price (₹)	Month's Low Price (₹)	Traded Quantity
Apr-23	513.1	459	19154	513.65	459.00	266000
May-23	480.75	432.35	30392	484.75	438.00	437000
Jun-23	485.1	439.2	44484	468.95	438.95	552000
Jul-23	464	410.2	55022	464.00	414.05	527000
Aug-23	540.05	422.1	119525	539.90	426.95	1396000
Sep-23	523.15	457	69973	526.00	456.45	1458000
Oct-23	530.3	464.35	46504	525.50	465.10	903000
Nov-23	675.9	505.4	165971	678.00	505.00	235000
Dec-23	710	616.6	159229	706.70	621.30	806000
Jan-24	718	611.5	51131	727.00	612.30	537000
Feb-24	695.95	531	65770	642.00	529.60	912000
Mar-24	545.9	460.5	66,444	548.60	465.60	752000

#### 12. Share Performance of the Company's monthly Closing in comparison to NIFTY 50 & BSE Sensex:



Source: [www.bseindia.com](http://www.bseindia.com) ; [www.nseindia.com](http://www.nseindia.com)

Note: Closing Price of IIL during the Month

### 13. Registrar and Share Transfer Agent

#### Alankit Assignments Limited

(Unit: Insecticides (India) Limited)

Alankit House

4E/2, Jhandewalan Extension,

New Delhi – 110 055

Tel No. (011) 4254 1234

Fax No. (011) 4254 1967

Email: [rt@alankit.com](mailto:rt@alankit.com)

### 14. Share Transfer System

In accordance with the proviso to Regulation 40(1) of the Listing Regulations, effective from April 1, 2019, transfers of shares of the Company shall not be processed unless the shares are held in the dematerialized form with a depository. Accordingly, shareholders holding equity shares in physical form are urged to have their shares dematerialized so as to be able to freely transfer them and participate in various corporate actions.

### 15. Distribution of Shareholding as on March 31, 2024

a. Distribution of equity shareholding as on March 31, 2024:

Number of Shares	Number of Shareholders	% of total Shareholders	No. of Shares	% of total Shares
1 - 500	18545	94.09	1312788	4.44
501 - 1000	640	3.25	457748	1.55
1001 - 2000	274	1.39	385278	1.3
2001 - 3000	78	0.40	194495	0.66
3001 - 4000	39	0.20	136480	0.46
4001 - 5000	34	0.17	152101	0.51
5001 - 10000	50	0.25	357235	1.21
10001 - 20000	16	0.08	215641	0.73
20001 - above	33	0.17	26386071	89.15
<b>Total</b>	<b>19709</b>	<b>100.00</b>	<b>29597837</b>	<b>100.00</b>

b. Categories of equity shareholders as on March 31, 2024

Number of Shares	Number of Shareholders	% of total Shareholders
<b>Promoter and Promoter Group (A)</b>	<b>21357405</b>	<b>72.16</b>
<b>Public Shareholding</b>		
Mutual Funds	2601000	8.79
Alternate Investment Funds	103470	0.35
Foreign Portfolio Investor (Corporate)	1277381	4.32
RBI Registered NBFCs	5625	0.02
Individuals	3135246	10.60
Any Other		
- Body Corporate	775618	2.62
- Trust	270	0
- NRI	168423	0.57
- Resident HUF	148590	0.50
- Clearing Member	22657	0.08
- IEPF	2152	0.01
<b>Total Public Shareholding (B)</b>	<b>8240432</b>	<b>27.84</b>
<b>Total Shareholding [(A)+(B)]</b>	<b>29597837</b>	<b>100</b>

## 16. Dematerialization of Shares and Liquidity

The shares of the Company fall under the category of compulsory delivery in dematerialized form by all categories of investors. The Company has signed agreements with both the Depositories i.e. National Securities Depository Limited and Central Depository Services Limited.

As on March 31, 2024, the number of shares held in dematerialized and physical mode is as under:

Category	No. of shares held	% of Share-holding
Held in Dematerialized form in CDSL	1391966	4.70
Held in Dematerialized form in NSDL	28205817	95.30
Physical	54	0.00
<b>Total</b>	<b>29597837</b>	<b>100.00</b>

### Reconciliation of Share Capital Audit

M/s M. D. & Associates, Company Secretaries, carries out the Reconciliation of Share Capital Audit as mandated by SEBI and report on the reconciliation of total issued and listed capital with that of total share capital admitted/ held in dematerialized form with NSDL and CDSL and those held in physical form. This audit is carried out on quarterly basis and the report thereof is submitted to the Stock Exchanges, where the Company's shares are listed.

## 17. Outstanding GDRs / Warrants and Convertible Bonds, Conversion Date and likely impact on Equity

The Company has not issued any GDRs / ADRs / Warrants or any convertible instruments.

## 18. Commodity Price Risks or foreign exchange risk and hedging activities

In order to manage the Company's Foreign Exchange exposure, the Company has a dynamic Forex risk management policy to take care of exchange rate fluctuations. Commodity buys are directly leveraged between domestic and overseas suppliers based on their price and parity, close monitoring through various commodity stock exchange linked with different raw materials. The intent of this Policy is to minimise the financial statement impact of fluctuating foreign currency exchange rates.

Foreign Exchange Risk and Commodity Price Risk along with Foreign Currency exposure is given under Note No. 33 of Standalone and Note No. 34of Consolidated financial statement of the other notes on accounts of the Company.

## 19. Plant Locations

Presently, your Company having 6 (Six) manufacturing units / Plants located at the following places:

1. E- 442, 443, 444, RIICO Industrial Area, Chopanki, (Bhiwadi) – 301707 (Rajasthan)

2. E-439-440, RIICO Industrial Area, Chopanki, (Bhiwadi) – 301707 (Rajasthan)
3. Industrial Growth Centre, SIDCO Post & District Samba – 184 121 (J&K)
4. II D Centre, Battal Ballian, Udhampur- 182101 (J&K)
5. Plot No. CH-21 & D3/1/1, GIDC Industrial Estate, Dahej, Taj Vagra Dist. Bharuch – 392 130 (Gujarat)
6. Plot No. Z/50, Dahej Industrial Area, SEZ Part-1, Dahej, Tal. Vagra, Dist. Bharuch, 392130 (Gujarat)"

## 20. Address for Correspondence

Investors and Shareholders can correspond with the Registered & Corporate Office of the Company at the following address:

To  
The Company Secretary & Chief Compliance Officer  
**Insecticides (India) Limited**  
401-402, Lusa Tower,  
Azadpur Commercial Complex,  
Delhi – 110 033  
Tel No. (011) 45870222 2767 1990 – 04  
Fax No. (011) 45871333 2767 1990 – 04  
Email – [investor@insecticidesindia.com](mailto:investor@insecticidesindia.com)

## 21. Credit Rating

The Company enjoys a good reputation for its sound financial management and ability to meet in financial commitments.

CRISIL, a S&P Global Company, a reputed Rating Agency, has re-affirmed the credit rating of CRISIL A/ Stable for the long-term and CRISIL A1 for the Short-term Bank facilities.

## 22. Governance Policies

In line with Company's philosophy for adhering to ethical and governance standards and ensure

fairness, accountability, responsibility and transparency to all its stakeholders, Company's, inter-alia, has the following policies and codes in place.

All the policies have been uploaded on the website of the Company: -

Name of the Policies	Weblink
Investor Grievance Redressal Policy (IGRP)	<a href="https://www.insecticidesindia.com/wp-content/uploads/2023/08/P1_IGRP_2021.pdf">https://www.insecticidesindia.com/wp-content/uploads/2023/08/P1_IGRP_2021.pdf</a>
Dividend Distribution Policy	<a href="https://www.insecticidesindia.com/wp-content/uploads/2022/04/DividendDistributionPolicy.pdf">https://www.insecticidesindia.com/wp-content/uploads/2022/04/DividendDistributionPolicy.pdf</a>
Corporate Social Responsibility Policy	<a href="https://www.insecticidesindia.com/wp-content/uploads/2024/03/P3_CSRP_2023.pdf">https://www.insecticidesindia.com/wp-content/uploads/2024/03/P3_CSRP_2023.pdf</a>
Business Responsibility Policy	<a href="https://www.insecticidesindia.com/wp-content/uploads/2020/10/Business-Responsibility.pdf">https://www.insecticidesindia.com/wp-content/uploads/2020/10/Business-Responsibility.pdf</a>
Risk Management Policy	<a href="https://www.insecticidesindia.com/wp-content/uploads/2024/03/P5_RMP_2021.pdf">https://www.insecticidesindia.com/wp-content/uploads/2024/03/P5_RMP_2021.pdf</a>
Whistle Blower policy	<a href="https://www.insecticidesindia.com/wp-content/uploads/2021/02/WhistleBlowerPolicy.pdf">https://www.insecticidesindia.com/wp-content/uploads/2021/02/WhistleBlowerPolicy.pdf</a>
Related Party Transaction Policy	<a href="https://www.insecticidesindia.com/wp-content/uploads/2024/04/P7_RPT_2023.pdf">https://www.insecticidesindia.com/wp-content/uploads/2024/04/P7_RPT_2023.pdf</a>
Code of Conduct for Prevention of Insider Trading	<a href="https://www.insecticidesindia.com/wp-content/uploads/2020/10/CodeofConduct-InsiderTradingAsAmended.pdf">https://www.insecticidesindia.com/wp-content/uploads/2020/10/CodeofConduct-InsiderTradingAsAmended.pdf</a>
Nomination and Remuneration and Board Diversity Policy	<a href="https://www.insecticidesindia.com/wp-content/uploads/2020/10/NR-POLICY-FINAL-AMEND-09.08.2016.pdf">https://www.insecticidesindia.com/wp-content/uploads/2020/10/NR-POLICY-FINAL-AMEND-09.08.2016.pdf</a>
Code of conduct for BOD and Senior management	<a href="https://www.insecticidesindia.com/wp-content/uploads/2024/04/P17_CodeofConductandGuidelines_2023_links.pdf">https://www.insecticidesindia.com/wp-content/uploads/2024/04/P17_CodeofConductandGuidelines_2023_links.pdf</a>
Policy on Composition of various committees of board of directors;	<a href="https://www.insecticidesindia.com/wp-content/uploads/2024/06/Board-Committee-1.pdf">https://www.insecticidesindia.com/wp-content/uploads/2024/06/Board-Committee-1.pdf</a>
Criteria of making payments to non-executive directors	<a href="https://www.insecticidesindia.com/wp-content/uploads/2020/10/Criteria-of-making-payment-to-Non-Executive-Directors.pdf">https://www.insecticidesindia.com/wp-content/uploads/2020/10/Criteria-of-making-payment-to-Non-Executive-Directors.pdf</a>
Policy and Procedures for Inquiry in Case of Leak or Suspected Leak of Unpublished price Sensitive Information	<a href="https://www.insecticidesindia.com/wp-content/uploads/2022/04/Insider-Trading.pdf">https://www.insecticidesindia.com/wp-content/uploads/2022/04/Insider-Trading.pdf</a>
Archival Policy or Policy for Maintenance and Preservation of Documents	<a href="https://www.insecticidesindia.com/wp-content/uploads/2020/10/PRESERVATION-OF-DOCUMENTS-FINAL.pdf">https://www.insecticidesindia.com/wp-content/uploads/2020/10/PRESERVATION-OF-DOCUMENTS-FINAL.pdf</a>
Policy for Disclosure of Event or Information and Determination of Materiality	<a href="https://www.insecticidesindia.com/wp-content/uploads/2024/03/P15_PolicyforDME_2023.pdf">https://www.insecticidesindia.com/wp-content/uploads/2024/03/P15_PolicyforDME_2023.pdf</a>
Policy for Material subsidiaries	<a href="https://www.insecticidesindia.com/wp-content/uploads/2020/10/Policy-on-Material-Subsidiaries.pdf">https://www.insecticidesindia.com/wp-content/uploads/2020/10/Policy-on-Material-Subsidiaries.pdf</a>
Child Labour Policy	<a href="https://www.insecticidesindia.com/policies/">https://www.insecticidesindia.com/policies/</a>
Anti Bribery & Corruption Policy	<a href="https://www.insecticidesindia.com/wp-content/uploads/2024/04/P17_CodeofConductandGuidelines_2023_links.pdf">https://www.insecticidesindia.com/wp-content/uploads/2024/04/P17_CodeofConductandGuidelines_2023_links.pdf</a>
Information Security Policy	<a href="https://www.insecticidesindia.com/policies/">https://www.insecticidesindia.com/policies/</a>
Forex Risk Management Policy	<a href="https://www.insecticidesindia.com/policies/">https://www.insecticidesindia.com/policies/</a>
Policy on Prevention of Sexual Harassment of Women at Workplace Policy	<a href="https://www.insecticidesindia.com/wp-content/uploads/2023/01/POSH_Policy_2023.pdf">https://www.insecticidesindia.com/wp-content/uploads/2023/01/POSH_Policy_2023.pdf</a>

## IX. Other disclosures:

- i. **Disclosure on materially significant related party transactions, i.e. the Company's transactions that are of material nature, with its Promoters, Directors and the management, their relatives or subsidiaries, among others that may have potential conflict with the Company's interests at large**

The details of related party transactions with the Company are given in Note No. 38 of Standalone

and Note No. 40 of Consolidated financial statement of the notes to accounts of the Company. Besides this, the Company has no material transaction with the related parties' viz. promoters, directors of the Company, management, their relatives, subsidiaries of promoter Company etc. that may have a potential conflict with the interest of the Company at large.

The Audit Committee has set out the criteria for granting approval to related party transactions which are repetitive in nature for the period of one year i.e.



for financial year 2023-24, under the category of Omnibus transaction pursuant to Regulation 23 of LODR, 2015. The audit committee shall review, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given. The transactions as approved by the Audit Committee were entered at Arm's Length Price and were in ordinary course of business of the Company. These transactions have been disclosed in the Notes to Accounts of the Company and policy is available at [https://www.insecticidesindia.com/wp-content/uploads/2024/04/P7\\_RPT\\_2023.pdf](https://www.insecticidesindia.com/wp-content/uploads/2024/04/P7_RPT_2023.pdf)

**ii. Details of non-compliance by the Company, penalties and strictures imposed on the Company by Stock Exchanges or SEBI, or any other statutory authority, on any matter related to capital markets during last three years.**

There were no instances of non-compliances by the Company on any matter related to capital market. The Company has complied with the requirements of Listing Agreement as well as regulations and guidelines prescribed by the Securities and Exchange Board of India (SEBI). There were no penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any Statutory Authority on any matter related to capital markets for non-compliance by the Company during the last three years on any matter related to capital market.

The Company Secretary, while preparing the agenda, notes on agenda, minutes, etc. of the meeting(s), is responsible for and is required to ensure adherence to all the applicable laws and regulations including the Companies Act, 2013 read with the rules issued thereunder.

**iii. Vigil Mechanism (Whistle Blower) Policy**

The Company promotes ethical behavior in all its business activities and has put in place a mechanism of reporting illegal or unethical behavior. The Company has a whistle blower policy wherein the employees are free to report violations of laws, rules, regulations or unethical conduct to their immediate supervisor or such other person as may be notified by the management to the workgroups. The confidentiality of those reporting violations is maintained and they are not subjected to any discriminatory practice. No personnel has been denied the access to the Audit Committee. The said policy is available on the website of the Company on the following link <https://www.insecticidesindia.com/wp-content/uploads/2021/02/WhistleBlowerPolicy.pdf>

**iv. Adoption of Mandatory and Non- Mandatory Requirements of SEBI Listing Regulations**

The Company has complied with all the mandatory requirements of the provisions of SEBI Listing Regulations. The Company has also adopted some of the discretionary requirements as stated below:

**Lead Independent Director**

There is a Lead Independent Director to liaise on their behalf and ensure the Board's effectiveness to maintain high-quality governance of the organization and effective functioning of the Board.

**Internal Auditor**

In accordance with the provisions of Section 138 of the Companies Act, 2013, the Company has appointed Internal Auditor(s), who reports to the Audit Committee. Internal audit report(s) are submitted to the Audit Committee which reviews the audit reports and suggests necessary action.

**E-voting Facility**

The company is providing remote e-voting system to its shareholders at the Annual General Meeting.

**Unmodified Opinion**

During the year under review, there was no audit qualification on your Company's financial statements.

**v. Material Subsidiary**

Regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 defines a 'material subsidiary a subsidiary, whose income or net worth exceeds 10% (ten percent) of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.

During the year under review, the Company has no material subsidiaries.

**vi. Web link where policy on dealing with related party transactions**

The policy on Related Party Transactions as approved by the Board may be accessed on the Company's website at the link: <https://www.insecticidesindia.com/wp-content/uploads/2020/10/RPTPolicy2019-22.pdf>

**vii. Commodity price risk or foreign exchange risk and hedging activities**

During the FY 2023-2024, the Company had managed the foreign exchange risk by using forward contract and commodity price risk with back to back arrangement with customers and hedging of the currency.

**viii. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).**

The Company has not raised funds through preferential allotment or Qualified Institutional Placement during the year, hence, detail of this clause is not applicable.

**ix. Certificate from Practicing Company Secretary**

A certificate from the company secretary in practice confirming that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority, is annexed with the CG Report.

**x. Disclosure of recommendations not accepted by the Board as recommended by the Committee which is mandatorily required**

The Board has accepted all the recommendations of the committees given time to time in their respective course of business.

**xi. Total Fees for all services paid by the Company and its subsidiaries on consolidated basis to the Statutory Auditors of the Company and all entities in the network firm/network entities of which the statutory auditor is a part:**

The total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the Statutory Auditors of the Company is mentioned at Note No. 28(a) of Standalone and Note No. 29(a) of Consolidated financial statement of the notes to accounts of the Company. The Company has not availed any services from the network firm/network entity of which the Statutory Auditors is a part.

**xii. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The Company has adopted a policy on prevention, prohibition and Redressal of Sexual harassment at workplace and has duly constituted an Internal Complaints Committee in line with the provisions

of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder.

During the financial year ended on March 31, 2024, the Company has received Nil Complaints on sexual harassment. Also, no complaints have been unresolved or are pending in respect of sexual harassment before the Company.

**xiii. Subsidiary Companies**

Your Company has subsidiaries as disclosed in AOC- 1, attached with this Annual Report. The Board of Directors of the Company formulated a policy for determining “material” subsidiaries. The said Policy has been placed on the website of the Company.

**xiv. Insider Trading Code in Terms of SEBI (Insider Trading) Regulations, 2015**

The Board has formulated the Code of Practice for Fair Disclosure of Un-Published Price Sensitive Information and the Code of Conduct for regulating, monitoring and reporting of Trading of Shares by Insiders in terms of the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time (“Regulation”).

The Board has also formulated and adopted a Policy on Determination of Legitimate Purpose as per the provisions of the Regulation. The above code lays down guidelines, procedures to be followed and disclosures to be made while dealing with shares of the Company and cautioning them on consequences of non-compliances.

The copy of the same is available on the website of the Company at <https://www.insecticidesindia.com/wp-content/uploads/2020/10/CodeofConduct-InsiderTradingAsAmended.pdf>

**xv. Disclosure of Accounting Treatment**

In preparation of the financial statements, the Company has followed the Accounting Standards referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.

**xvi. Risk Management**

The Company has laid down procedures to inform the Board of Directors about the Risk Management and its minimization procedures. The Risk Management Committee, Audit Committee and the Board of Directors review these procedures periodically.

**xvii. CEO/CFO Certification**

The Managing Director and CFO of the Company have certified to the Board of Directors, inter alia, the accuracy of financial statements and adequacy of internal controls for the financial reporting as required under Regulation 17(8) and Part B of Schedule II of the Listing Regulations for the financial year ended March 31, 2024. The MD and the CFO also give quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33(2) of the Listing Regulations.

**xviii. Proceeds from Public Issue, Rights Issue, Preferential Issues, etc.**

The Company has not done any further issue of shares during the period under review.

**xix. The Company has complied with the requirements of the Schedule V of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.**

The Company has duly complied with the requirements of the Schedule V of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.

**xx. The company has complied with the Corporate Governance requirements specified in regulation 17 to 27 and clause (b) to (i) of sub-regulation (2) of regulation 46 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.**

The Company has complied with all the provisions of regulation 17 to 27 and clause (b) to (i) of sub-regulation (2) of regulation 46 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.

**xxi. Disclosures with respect to Demat Suspense Account/ Unclaimed Suspense Account– Not applicable****xxii. Auditors' Certificate on Corporate Governance**

The Company has obtained the certificate from its Statutory Auditors regarding compliance with the provisions relating to Corporate Governance laid

down in SEBI Listing Regulations and annexed with this CG report. The Company has generally complied with the requirements specified in Regulation 17 to 27 and Regulation 46(2) (b) to (i) of SEBI (Listing Obligations and Disclosure Requirements), 2015.

**xxiii. Disclosure of certain type of agreements binding listed entities**

During the period, the agreements entered into by the Company fall within the normal course of business and do not bring about any alterations to the management or control of the company. Additionally, throughout this period, no agreement have been entered by its shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the company or subsidiary or associate company, among themselves or with the listed entity or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the Company or impose any restriction or create any liability upon the Company.

**xxiv. The Company has not provided loans to firms/companies in which directors are interested.****xxv. Code of Conduct**

The Board of Directors has laid down Code of Conduct for all Board Members and Senior Management of the Company. The copies of Code of Conduct as applicable to the Executive Directors (including Senior Management of the Company) and Independent have been sent to all the Directors and Senior Management Personnel. The Code of Conduct is available on the Company's website [https://www.insecticidesindia.com/wp-content/uploads/2024/04/P17-CodeofConductandGuidelines\\_2023\\_links.pdf](https://www.insecticidesindia.com/wp-content/uploads/2024/04/P17-CodeofConductandGuidelines_2023_links.pdf) and copy of the Code of Conduct can be inspected at the registered office of the Company during the business hours.

All the members of the Board of Directors and Senior Management personnel have affirmed compliance with the Code of Conduct as applicable to them during the year ended March 31, 2024. The Annual Report of the Company contains declaration duly signed by the Managing Director.

For and on behalf of the Board  
**Insecticides (India) Limited**

**(Rajesh Kumar Aggarwal)**  
Managing Director  
DIN-00576872

**(Hari Chand Aggarwal)**  
Chairman & WTD  
DIN-00577015

Place: Delhi  
Dated: May 28, 2024

## DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

I, Rajesh Kumar Aggarwal, Managing Director of Insecticides (India) Limited hereby declares that all the Board Members and Senior Managerial Personnel have affirmed for the year ended on March 31, 2024 compliance with the Code of Conduct of the Company laid down for them.

Place: Delhi  
Date: May 28, 2024

**(Rajesh Kumar Aggarwal)**  
Managing Director  
DIN: 00576872

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### MD / CFO CERTIFICATION

#### **IN RESPECT OF FINANCIAL STATEMENTS AND CASH FLOW STATEMENT (PURSUANT TO REGULATION 17(8) AND 33(2) (a) OF SEBI (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024**

We, Rajesh Kumar Aggarwal, Managing Director and Sandeep Aggarwal, Chief Financial Officer of Insecticides (India) Limited to the best of our knowledge and belief, certify that:

1. We have reviewed Financial Statements and the Cash Flow Statement of Insecticides (India) Limited for the year ended March 31, 2024 and that to the best of our knowledge and belief:
  - a. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - b. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct;
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
4. We have indicated to the Auditors and the Audit committee:
  - a. significant changes, if any, in internal control over financial reporting during the year;
  - b. significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - c. that the fraud, which we have become aware of during the period and reported to concern authorities and established internal controls over such financial transactions.

Place: Delhi  
Dated: May 28, 2024

**Rajesh Kumar Aggarwal**  
Managing Director

**Sandeep Aggarwal**  
Chief Financial Officer

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,  
The Members of  
**Insecticides (India) Limited**  
401-402, Lusa Tower  
Azadpur Commercial Complex, Delhi-110033 IN

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Insecticide (India) Limited having CIN L65991DL1996PLC083909 and having registered office at 401-402, Lusa Tower, Azadpur Commercial Complex Delhi 110033, India (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub-clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Details of Directors:

S No.	Name of Director	DIN	Date of appointment in the company (*)
1.	Mr. Hari Chand Aggarwal	00577015	12/10/2001
2.	Mr. Rajesh Kumar Aggarwal	00576872	18/12/1996
3.	Mrs. Nikunj Aggarwal	06569091	02/05/2013
4.	Mr. Virjesh Kumar Gupta	06382540	25/09/2012
5.	Mr. Navin Shah	02701860	23/06/2009
6.	Mr. Jayaraman Swaminathan	02634470	10/02/2016*
7.	Mrs. Parveen Gupta	00180678	15/02/2020
8.	Mr. Anil Kumar Bhatia	09707921	20/08/2022
9.	Mr. Anil Kumar Goyal	09707818	20/08/2022
10.	Mr. Shyam Lal Bansal	02910086	05/02/2024
11.	Mr. Supratim Bandyopadhyay	03558215	05/02/2024

\* Mr. Jayaraman Swaminathan ceases to be the Independent Director of the Company w.e.f 08th February, 2024.

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**Disclaimer:** We have not been made available with details or clarification or Non Applicability certificate, with respect to debarment or disqualification pursuant to any order from civil or criminal court and thus we are unable to conclude any opinion on attraction of disqualification by any such order which have not been presented before us for reporting.

For M/s Akash Gupta & Associates  
Company Secretaries

Place: New Delhi  
Date: 28th May, 2024  
UDIN: F012187E000762211  
Peer Review No.: 2295/2022

Sd/-  
**Akash Gupta**  
(Prop.)  
M.NO. F12187  
CP No. 11038

**Form No. MR-3****Secretarial Audit Report**

*(Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)*

**For the Financial Year Ended 31st March 2024**

To,  
The Members,  
**Insecticides (India) Limited**  
401-402, Lusa Tower,  
Azadpur Commercial Complex, Delhi 110033

I have conducted the secretarial audit of the financial year ending on March 31st 2024 for the compliance of applicable statutory provisions and the adherence to good corporate practices by Insecticides (India) Limited (CIN L65991DL1996PLC083909) (hereinafter called as the "Company") for the financial year ended 31st March 2024 ('the year'/'audit period'/'period under review').

Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period complied with the statutory provisions listed hereunder and also that the Company has proper board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ending on March 31st 2024, according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the Rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings:
  - a) Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 and Foreign Exchange Management (Non-debt Instruments) Rules, 2019, as the case may be. -No foreign direct investment had been received by the Company during the financial year 2023-24;
  - b) Foreign Exchange Management (Transfer or Issue of Any Foreign Security) Regulations, 2004: The Company had not invested any funds outside India in Joint Venture or subsidiary during the financial year 2023-24;
  - c) Foreign Exchange Management (Borrowing or Lending) Regulations, 2018: The Company had not received any external commercial borrowings from outside India during the financial year 2023-24;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company:
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; - The company did not make any buy back during the period therefore, not applicable to the Company under the period.
  - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; -The Company has not issued any capital during the financial year 2023-24, hence the mentioned regulation is not applicable to the Company;
  - e) The Securities and Exchange Board of India (Share Based Employees Benefits and Sweat Equity Regulations 2021); - The Company has not come with any ESOP or ESPS or share based employee benefits during the financial year ended on March 31, 2024, hence the mentioned regulations are not applicable to the Company;
  - f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; -The Company had not issued or listed debt securities during the financial year ended on March 31, 2024, thus the said regulations are not applicable to Company;
  - g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations 1993;
  - h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; as during the financial year ended March 31, 2024; the Company has not delisted any equity share, thus the mentioned regulations do not applicable to the Company; and

VI. **Further**, as informed to us by the management of the Company there are some industry-specific laws, as mentioned below, which is being complied with by the Company as industry-specific laws under the head "other laws as specifically applicable to the company" are as follows:

- a) The Insecticides Act, 1968 & the Insecticides Rules, 1971 read with the Insecticide (Amendment on Reports) Order, 1986.
- c) The Fertiliser Control (Amendment) Order, 2013.

The management of the Company has represented and confirmed that the Company has generally complied with applicable provisions of industry specific laws as mentioned above and based upon such representation and our random test checks, I also state that Company has generally complied with applicable provisions of industry specific laws as mentioned above during the financial year 2023-2024.

**I have also examined compliance with the applicable clauses of the following:**

- i. Secretarial Standards issued by the Institute of Company Secretaries of India.
- ii. The Listing Agreements as entered into by the Company with the BSE Limited, National Stock Exchange of India Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015.

I hereby state that during the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, and Standards etc. as applicable and mentioned above.

Further, for the purpose of examining the adequacy of compliance with other applicable laws under both Central & State legislations, reliance has been placed on reports of statutory auditors and the Compliance certificates issued by the Management at respective Board Meeting(s) of the Company.

**I further report that:**

- The Board of Directors of the Company is duly constituted with a proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Women Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice(s) were given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance or with shorter notice after obtaining requisite consents, and a system exists for seeking and obtaining further information and clarifications

on the agenda items before the meeting and for meaningful participation at the meeting.

- All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.
- Majority decision is carried through and views are captured and recorded as part of the minutes, while no member of board has dissented to any proposed resolutions in board meetings.

**I further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the audit period, except for the following events, there was no event/action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.:

1. Cessation of Shri. Jayaraman Swaminathan (DIN: 02634470) as Independent Director of the Company w.e.f February 08, 2024;
2. The shareholders of the Company by a special resolution passed through Postal Ballot on April 30, 2024, appointed Shri. Shyam Lal Bansal (DIN: 02910086) and Shri. Supratim Bandyopadhyay (DIN: 03558215) as an Independent Director(s) of the Company to hold office for a term of 5 (five) consecutive years from February 05, 2024 to February 04, 2029;
3. The Company has also declared the payment of Interim Dividend for the Financial Year 2023-2024 on Equity Shares at the rate of 30 % i.e ₹ 3 on every Equity Shares of ₹ 10/- to the shareholders.
4. The Company has incorporated a wholly owned subsidiary on May 01, 2023 namely "IIL Overseas DMCC" in Dubai. The wholly-owned subsidiary shall carry on the business of trading of Insecticides, Agriculture & Veterinary pesticide products.

For M/s Akash Gupta & Associates  
Practising Company Secretary

**Akash Gupta**

(Prop.)  
Membership No. 12187  
Certificate of Practice No. 11038  
UDIN: F012187F000446038  
Peer Review Certificate No. 2295/2022  
Date: 28th May, 2024  
Place: New Delhi

This report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.

To,  
The Members,  
**Insecticides (India) Limited**  
401-402, Lusa Tower,  
Azadpur Commercial Complex, Delhi 110033

Our report for the financial year ending 31.03.2024 of even date is to be read along with this letter:

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express opinions on the secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and the happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, and standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For M/s Akash Gupta & Associates  
Practising Company Secretary

**Akash Gupta**  
(Prop.)  
Membership No. 12187  
Certificate of Practice No. 11038  
UDIN: F012187F000446038  
Peer Review Certificate No. 2295/2022  
Date: 28th May, 2024  
Place: New Delhi



# Financial Statements



# Independent Auditor's Report

## To The Members of Insecticides (India) Limited

### Report on the Audit of the Standalone Financial Statements

#### Opinion

We have audited the accompanying standalone financial statements of **Insecticides (India) Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of the material accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Key Audit Matter

##### Recognition of Revenue

The Company recognizes revenue at the point in time when control of the goods is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. In determining the transaction price for the sale, the Company considers the effects of variable consideration and consideration receivable from the customer.

For the year ended March 31, 2024, the Company's Statement of Profit & Loss included Sales of Rs. 1,95,638.39 Lakhs. The nature of rebates, discounts and sales returns, if any, involve judgment in determining sales revenues and revenue cut-off. The risk is, therefore, that revenue may not be recognized in the correct period.

Refer to Material accounting policies Note 2.2 (c) and Note No. 21 of the standalone Financial Statements.

#### Basis for Opinion

We conducted our audit of the standalone 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 Responsibilities for the Audit of the Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

#### Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

#### Auditor's Response

##### Principal Audit Procedures

- We performed process walkthrough to understand the adequacy and the design of the revenue cycle. We tested internal controls in the revenue and trade receivables over the accuracy and timing of revenue accounted in the financial statements.
- Understanding the policies and procedures applied to revenue recognition, as well as compliance thereof, including an analysis of the effectiveness of controls related to revenue recognition processes employed by the Company.
- We reviewed the revenue recognition policy applied by the Company to ensure its compliance with Ind AS 115 requirements.
- We performed detailed testing on transactions, ensuring revenues were recognized in the correct accounting period. We also tested journal entries recognized in revenue focusing on unusual or irregular transactions.
- We validated the appropriateness and completeness of the related disclosures in Note No. 21 of the Standalone financial statements.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance or conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of Management and Those Charged With Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends

to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

## Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone Financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has an adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the

audit evidence obtained up to 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, 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 except for the matters stated in paragraph 2(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in the paragraph 2(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- g) With respect to the adequacy of the internal financial controls with reference to financial statement of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.
- h) 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.

- i) 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 as on March 31, 2024 in its financial position in its standalone financial statements. Refer Note 39 to the standalone financial statements.

- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, 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. As stated in Note 36(b) to the standalone financial statements :
  - (a) The Company has not proposed final dividend during the previous year.
  - (b) The interim dividend declared and paid by the Company during the year is in compliance with Section 123 of the Act.
  - (c) The Company has not proposed a final dividend for the year.
- vi. Based on our examination which included test checks, the Company, in respect of financial year commencing on April 1, 2023, has used an accounting software for maintaining its books of account which has feature of recording audit trail (edit log) and the same has operated throughout the year for all relevant transactions recorded in the software except that audit trail feature was not enabled at the database level of accounting software to log any direct data changes. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with on accounting software where this feature is enabled.

Further, as per proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, thus reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

For **S S Kothari Mehta & Co. LLP**  
Chartered Accountants  
Firm’s registration number: 000756N/N500441

For **Devesh Parekh & Co.**  
Chartered Accountants  
Firm’s registration number: 013338N

**Vijay Kumar**  
Partner  
Membership number: 092671  
UDIN: 24092671BKFBPH5176

**Devesh Parekh**  
Partner  
Membership number: 092160  
UDIN: 24092160BKDFVL7624

Place: Delhi  
Date : May 28, 2024

Place: Delhi  
Date : May 28, 2024

## Annexure “A” to the Independent Auditor’s Report

**(Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Insecticides (India) Limited of even date)**

To the best of our information and according to the 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. In respect of the Company’s property, plant & equipment:
  - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and relevant details of right-of-use assets.
  - (B) The Company has maintained proper records showing full particulars of intangible assets.
  - (b) The property, plant and equipment and right-of-use assets have been physically verified by the management according to the program of periodical verification in phased manner, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its Property, Plant and Equipment. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - (c) Based on our examination of the property tax receipts and lease agreement for land on which building is constructed, registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title in respect of self-constructed buildings and title deeds of all other immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the standalone financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.
  - (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) Based on the information and explanation provided to us, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii.
  - (a) We have been explained by the management that the inventory has been physically verified at reasonable intervals and the procedures of physical verification of inventory followed by the management are reasonable in relation to the size of the Company and nature of its business. According to information and explanations given to us, the material discrepancies, if any, noticed on such physical verification of inventory as compared to book records were properly dealt within the books of accounts. Discrepancies of 10% or more in the aggregate for each class of inventory were not noticed.
  - (b) According to the information and explanations given to us, the Company has been sanctioned working capital limits against security of current assets in excess of five crore rupees, in aggregate, from banks or financial institutions. Based upon the audit procedure performed by us, the quarterly returns or statements filed by the Company with such banks or financial institutions are materially in agreement with the books of account of the Company.
- iii.
  - (a) According to the information and explanations given to us and based on our examination of records, the Company has not provided loans or advances in the nature of loans, or stood guarantee, or provided security to any other entity.
  - (b) In our opinion, the investments made by the Company during the year are prima facie not prejudicial to the Company’s interest. Further, the Company has not provided any Guarantee or security to other entity.
  - (c) The Company has not granted any loan and advances in the nature of loans during the year. Hence, reporting under clause 3(iii)(c),(d), (e) & (f) of the Order is not applicable.
- iv. According to the information, explanations and representations given to us and based upon audit procedures performed, we are of the opinion that in respect of loans, investments, guarantees and securities, the Company has complied with the provisions of sections 185 and 186 of the Act.
- v. In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there is no amount which has been considered as deemed deposit within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended).

Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.

- vi. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by Central Government for the maintenance of the cost records under section 148(1) of the Act in respect to the Company's products to which said rules are made applicable and are of the opinion that prima facie, the prescribed records have been made and maintained. We have however not made a detailed examination of the said records with a view to determine whether they are accurate or complete.

- vii. (a) According to the information and explanations given to us and on the basis of examination of the records of the Company, the Company has generally been regular in depositing undisputed statutory dues including, employees' state insurance, income tax, goods and service tax, custom duty, cess and any other material statutory dues with the appropriate authorities to the extent applicable and further there were no undisputed statutory dues payable for a period of more than six months from the date they become payable as at March 31, 2024.

- (b) According to the records and information and explanations given to us, there are no dues in respect of income tax, sales tax, service tax, goods and service tax, duty of excise, duty of custom and value added tax that have not been deposited on account of any dispute except as given below:

S. No.	Name of the Statute	Nature of Dues	Period to which it Relates	Forum where Dispute is Pending	Gross Liability (A)	Amount Deposited Under Protest (B)	Net Amount* (Rs. In Lacs) (A-B)
1	Gujarat Stamp Act, 1958	Stamp Duty	2013-14	Commissioner of Revenue Department, Tehsil Vagra, District Bharuch	89.60	19.60	70.00
2	Gujarat Value Added Tax Act, 2003	VAT & CST	2011-12 & 2012-13	Joint Commissioner of commercial Tax, Baroda	371.73	103.27	268.46
3	Andhra Pradesh VAT Act, 2005	VAT	2014-15	APVAT Appellate Tribunal, Visakhapatnam.	122.08	61.04	61.04
4	MP VAT Act, 2002	CST	2012-13	Assistant Commissioner, VAT, Indore	1.52	-	1.52
5	Central Excise Act, 1944	Excise Duty	2015-16, 2016-17 & 2017-18	Central Excise Audit Commissionerate, Samba	294.37	14.72	279.65
6	Central Excise Act, 1944	Excise Duty	2012-13 & 2013-14	Central Excise Audit Commissionerate, Jammu	135.14	6.77	128.37

- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. (a) According to the information and explanation given to us and based on our examination of records, the Company has not defaulted on repayment of loans and borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and based on our examination of records, the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanation given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- (d) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, funds raised on short term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) According to the information and explanation given to us and based on our examination of records, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or joint venture.

- (f) According to the information and explanation given to us and based on our examination of records, the Company has not raised loans during the year on the pledge of securities held in its Subsidiaries or joint venture.
- x. (a) According to the information and explanation given to us and based on our examination of records, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanation given to us and based on our examination of records, during the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally). Accordingly, reporting under clause 3(x) (b) of the Order is not applicable.
- xi. (a) According to the information and explanation given to us and based on our examination of records, no material fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act 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 audit report.
- (c) According to the information and explanation given to us and based on our examination of records, no whistle blower complaints received by the Company during the year.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. According to the information and explanation given to us and based on our examination of records, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the Standalone Financial Statements as required by the applicable accounting standards.
- xiv. (a) Based on information and explanations provided to us and our audit procedures, in our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. According to the information and explanation given to us and based on our examination of records, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors, therefore provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. (a) According to the information and explanation given to us and based on our examination of records, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clause 3(xvi) (a) of the Order is not applicable.
- (b) According to the information and explanation given to us and based on our examination of records, the Company has not conducted any Non-Banking Financial or Housing Finance activities. Accordingly, reporting under clause 3(xvi) (b) of the Order is not applicable.
- (c) According to the information and explanation given to us and based on our examination of records, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, reporting under clause 3(xvi) (c) of the Order is not applicable.
- (d) According to the information and explanation given to us and based on our examination of records, there are no core investment companies within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016). Accordingly, clause 3(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. z
- 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 realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the



Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

For **S S Kothari Mehta & Co. LLP**

Chartered Accountants

Firm's registration number: 000756N/N500441

**Vijay Kumar**

Partner

Membership number: 092671

UDIN: 24092671BKFBPH5176

Place: Delhi

Date : May 28, 2024

xx. In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clause 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **Devesh Parekh & Co.**

Chartered Accountants

Firm's registration number: 013338N

**Devesh Parekh**

Partner

Membership number: 092160

UDIN: 24092160BKDFVL7624

Place: Delhi

Date : May 28, 2024

## Annexure “B” to the Independent Auditor’s Report

**(Referred to in paragraph 2(g) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Insecticides (India) Limited of even date)**

### **Report on the Internal Financial Controls over Financial Reporting 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 Insecticides (India) Limited (“the Company”) as of March 31, 2024 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

### **Management’s Responsibility for Internal Financial Controls**

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls 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 issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Company 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 Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to 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 system with reference to financial statements and their

operating effectiveness. Our audit of internal financial controls with reference to financial statements 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 auditor’s judgment, 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 system 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. A Company’s internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company’s assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls with reference to financial statements**

Because of the inherent limitations of internal financial controls with reference to 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, 2024, 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 issued by the Institute of Chartered Accountants of India.

For **S S Kothari Mehta & Co. LLP**

Chartered Accountants

Firm's registration number: 000756N/N500441

**Vijay Kumar**

Partner

Membership number: 092671

UDIN: 24092671BKFBPH5176

Place: Delhi

Date : May 28, 2024

For **Devesh Parekh & Co.**

Chartered Accountants

Firm's registration number: 013338N

**Devesh Parekh**

Partner

Membership number: 092160

UDIN: 24092160BKDFVL7624

Place: Delhi

Date : May 28, 2024

# STANDALONE BALANCE SHEET AS AT MARCH 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
<b>ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, plant and equipment	3(a)	23,672.28	22,980.62
(b) Capital work-in-progress	3(b)	13,468.73	11,745.39
(c) Investment property	3(c)	109.47	-
(d) Right-of-use assets	4	3,844.10	2,497.29
(e) Other intangible assets	5(a)	704.17	695.24
(f) Intangible assets under development	5(b)	642.37	558.34
(g) Investment in subsidiaries and joint venture	6	1,006.13	913.00
(h) Financial assets			
(i) Investments	7(a)	852.89	631.80
(ii) Other financial assets	7(b)	341.38	205.56
(i) Income tax assets (net)	8	683.85	2,628.84
(j) Other non-current assets	9	930.24	3,316.89
<b>TOTAL NON-CURRENT ASSETS</b>		<b>46,255.61</b>	<b>46,172.97</b>
<b>2 Current assets</b>			
(a) Inventories	10	80,646.03	86,172.07
(b) Financial assets			
(i) Trade receivables	11(a)	29,666.82	29,624.44
(ii) Cash and cash equivalents	11(b)	6,105.27	1,838.31
(iii) Bank balances other than (ii) above	11(c)	15.83	106.59
(iv) Loans	11(d)	14.39	19.23
(v) Other financial assets	11(e)	247.77	89.40
(c) Other current assets	12	8,023.97	5,345.23
<b>TOTAL CURRENT ASSETS</b>		<b>1,24,720.08</b>	<b>1,23,195.27</b>
<b>TOTAL ASSETS</b>		<b>1,70,975.69</b>	<b>1,69,368.24</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity share capital	13	2,959.78	2,959.78
(b) Other equity	14	98,150.64	88,609.09
<b>TOTAL EQUITY</b>		<b>1,01,110.42</b>	<b>91,568.87</b>
<b>LIABILITIES</b>			
<b>1 Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	15(a)	2,917.16	185.93
(ii) Lease liabilities	15(b)	231.35	216.89
(b) Provisions	16(a)	218.42	183.22
(c) Deferred tax liabilities (net)	17	1,016.11	1,265.24
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>4,383.04</b>	<b>1,851.28</b>
<b>2 Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	18(a)	5,402.73	15,721.03
(ii) Lease liabilities	15(b)	179.70	145.86
(iii) Trade payables	18(b)		
(A) total outstanding due of micro enterprises and small enterprises		1,724.30	2,705.98
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		40,124.29	42,120.06
(iv) Other financial liabilities	18(c)	3,376.13	3,147.81
(b) Other current liabilities		14,263.87	11,858.98
(c) Provisions	16(b)	411.21	248.37
(d) Current tax liabilities (net)	20	-	-
<b>TOTAL CURRENT LIABILITIES</b>		<b>65,482.23</b>	<b>75,948.09</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,70,975.69</b>	<b>1,69,368.24</b>

The accompanying notes are an integral part of the standalone financial statements.

Material Accounting Policies  
Notes to Financial Statements

1 to 2  
3 to 52

As per our separate report of even date annexed herewith

**For S S KOTHARI MEHTA & CO. LLP**  
Chartered Accountants  
Firm Registration No. - 000756N / N500441

**For DEVESH PAREKH & CO.**  
Chartered Accountants  
Firm Registration No. - 013338N

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**  
INSECTICIDES (INDIA) LIMITED  
CIN : L65991DL1996PLC083909

**VIJAY KUMAR**  
Partner  
Membership No. - 092671

**DEVESH PAREKH**  
Partner  
Membership No. - 092160

**HARI CHAND AGGARWAL**  
Chairman  
DIN: 00577015

**RAJESH KUMAR AGGARWAL**  
Managing Director  
DIN: 00576872

**SANDEEP KUMAR**  
Company Secretary  
PAN : AQIPK8144P

**NIKUNJ AGGARWAL**  
Whole Time Director  
DIN: 06569091

**SANDEEP KUMAR AGGARWAL**  
Chief Financial Officer  
PAN : AAVPA7635C

Place : Delhi  
Date : May 28, 2024

# STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

Particulars	Note No.	Year ended March 31, 2024	Year ended March 31, 2023
<b>Income</b>			
Revenue from operations	21	1,96,638.55	1,80,132.85
Other income	22	950.67	126.39
<b>TOTAL INCOME</b>		<b>1,97,589.22</b>	<b>1,80,259.24</b>
<b>Expenses</b>			
Cost of raw material and components consumed	23	1,33,219.31	1,39,946.52
Purchase of traded goods		15,885.66	11,212.48
Changes in inventories of finished goods, work-in-progress and traded goods	24	(2,602.36)	(12,596.77)
Employee benefits expense	25	11,722.13	9,838.05
Finance costs	26	1,088.35	1,345.10
Depreciation and amortization expense	27	2,924.85	2,610.18
Other expenses	28	22,093.29	19,542.97
<b>TOTAL EXPENSES</b>		<b>1,84,331.23</b>	<b>1,71,898.53</b>
<b>Profit before tax and exceptional items</b>		<b>13,257.99</b>	<b>8,360.71</b>
Exceptional items		-	-
<b>Profit before tax</b>		<b>13,257.99</b>	<b>8,360.71</b>
Tax expenses	30		
- Current tax		3,295.17	2,082.85
- Deferred tax		(299.73)	(20.89)
<b>TOTAL TAX EXPENSES</b>		<b>2,995.44</b>	<b>2,061.96</b>
<b>Profit for the year</b>		<b>10,262.55</b>	<b>6,298.75</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified subsequently to profit or loss	31		
Equity instruments through other comprehensive income		221.09	111.46
Remeasurement of the net defined benefit plans		(3.54)	(75.76)
Income tax relating to these items		(50.61)	(6.90)
<b>TOTAL OF OTHER COMPREHENSIVE INCOME FOR THE YEAR (NET OF TAX)</b>		<b>166.94</b>	<b>28.80</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR (NET OF TAX)</b>		<b>10,429.49</b>	<b>6,327.55</b>
<b>Earnings per equity share (in INR)</b>			
	42		
- Basic		34.67	21.28
- Diluted		34.67	21.28

The accompanying notes are an integral part of the standalone financial statements.

Material Accounting Policies  
Notes to Financial Statements

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3 to 52

As per our separate report of even date annexed herewith

**For S S KOTHARI MEHTA & CO. LLP**  
Chartered Accountants  
Firm Registration No. - 000756N / N500441

**For DEVESH PAREKH & CO.**  
Chartered Accountants  
Firm Registration No. - 013338N

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**  
INSECTICIDES (INDIA) LIMITED  
CIN : L65991DL1996PLC083909

**VIJAY KUMAR**  
Partner  
Membership No.- 092671

**DEVESH PAREKH**  
Partner  
Membership No.- 092160

**HARI CHAND AGGARWAL**  
Chairman  
DIN: 00577015

**RAJESH KUMAR AGGARWAL**  
Managing Director  
DIN: 00576872

**SANDEEP KUMAR**  
Company Secretary  
PAN : AQIPK8144P

**NIKUNJ AGGARWAL**  
Whole Time Director  
DIN: 06569091

**SANDEEP KUMAR AGGARWAL**  
Chief Financial Officer  
PAN : AAVPA7635C

**Place :** Delhi  
**Date :** May 28, 2024

# STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

## (A) Equity share capital

### (1) Current reporting period

Particulars	Balance at the beginning of the current reporting period April 01, 2023	Changes in Equity share Capital due to prior period items	Restated Balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period March 31, 2024
Equity share capital (Refer note 13)	2,959.78	-	2,959.78	-	2,959.78

### (2) Previous reporting period

Particulars	Balance at the beginning of the current reporting period April 01, 2022	Changes in Equity share Capital due to prior period items	Restated Balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period March 31, 2023
Equity share capital (Refer note 13)	1,973.19	-	1,973.19	986.59	2,959.78

## (B) Other equity

Particulars	Reserves and Surplus				Other reserves	Total Other Equity
	Securities premium	General reserve	Capital redemption reserve	Retained earnings	Equity instruments through other comprehensive income	
<b>Balance as at April 1, 2022</b>	<b>4,584.38</b>	<b>3,107.93</b>	<b>93.59</b>	<b>76,803.50</b>	<b>158.62</b>	<b>84,748.02</b>
Profit for the year	-	-	-	6,298.75	-	6,298.75
Other comprehensive income (net of tax)	-	-	-	(56.70)	85.50	28.80
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,242.05</b>	<b>85.50</b>	<b>6,327.55</b>
Issue of bonus shares (Refer note 14)	(986.59)	-	-	-	-	(986.59)
Final dividend paid during the year	-	-	-	(591.96)	-	(591.96)
Interim dividend paid during the year	-	-	-	(887.93)	-	(887.93)
<b>Balance as at March 31, 2023</b>	<b>3,597.79</b>	<b>3,107.93</b>	<b>93.59</b>	<b>81,565.66</b>	<b>244.12</b>	<b>88,609.09</b>

# STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

Particulars	Reserves and Surplus				Other reserves	Total Other Equity
	Securities premium	General reserve	Capital redemption reserve	Retained earnings	Equity instruments through other comprehensive income	
Profit for the year	-	-	-	10,262.55	-	10,262.55
Other comprehensive income (net of tax)	-	-	-	(2.65)	169.58	166.94
<b>Total comprehensive income for the year</b>	-	-	-	<b>10,259.90</b>	<b>169.58</b>	<b>10,429.49</b>
Interim dividend paid during the year	-	-	-	(887.93)	-	(887.93)
<b>Balance as at March 31, 2024</b>	<b>3,597.79</b>	<b>3,107.93</b>	<b>93.59</b>	<b>90,937.63</b>	<b>413.70</b>	<b>98,150.64</b>

The accompanying notes are an integral part of the standalone financial statements.

Material Accounting Policies

1 to 2

Notes to Financial Statements

3 to 52

As per our separate report of even date annexed herewith

**For S S KOTHARI MEHTA & CO. LLP**

Chartered Accountants

Firm Registration No. - 000756N / N500441

**For DEVESH PAREKH & CO.**

Chartered Accountants

Firm Registration No. - 013338N

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

INSECTICIDES (INDIA) LIMITED

CIN : L65991DL1996PLC083909

**VIJAY KUMAR**

Partner

Membership No.- 092671

**DEVESH PAREKH**

Partner

Membership No.- 092160

**HARI CHAND AGGARWAL**

Chairman

DIN: 00577015

**RAJESH KUMAR AGGARWAL**

Managing Director

DIN: 00576872

**SANDEEP KUMAR**

Company Secretary

PAN : AQIPK8144P

**NIKUNJ AGGARWAL**

Whole Time Director

DIN: 06569091

**Place :** Delhi

**Date :** May 28, 2024

**SANDEEP KUMAR AGGARWAL**

Chief Financial Officer

PAN : AAVPA7635C

## STANDALONE STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
<b>(A) Cash Flow From Operating Activities</b>		
<b>Net profit before tax</b>	13,257.99	8,360.71
Adjustment on account of		
- Depreciation & A mortization	2,924.85	2,610.18
- (Profit)/Loss on sale/disposal of property, plant and equipment	(173.23)	6.65
- Net gain on lease modification	(0.27)	(13.34)
- Interest income	(52.85)	(11.83)
- Dividend income	(22.05)	(20.31)
- Interest expenses	1,088.35	1,345.10
- Bad debts written off	22.76	26.71
- Provision for expected credit losses of trade receivables	272.20	25.34
- Derivative (gain) / loss	23.64	48.08
- Unrealised exchange differences	(153.98)	(244.58)
<b>Operating Profit Before Working Capital Changes</b>	<b>17,187.41</b>	<b>12,132.71</b>
Adjustments for		
- (Increase)/Decrease in security deposits	(37.26)	(43.73)
- (Increase)/Decrease in inventories	5,526.04	(23,149.65)
- (Increase)/Decrease in trade receivables	(253.67)	(731.44)
- (Increase)/Decrease in loans	4.84	(6.35)
- (Increase)/Decrease in other financial assets	(179.55)	85.81
- (Increase)/Decrease in other current assets	(2,663.72)	(831.97)
- Increase/(Decrease) in provisions	194.50	18.07
- Increase/(Decrease) in trade payables	(2,852.06)	12,637.93
- Increase/(Decrease) in other financial liabilities	474.10	366.69
- Increase/(Decrease) in other current liabilities	2,404.89	1,523.10
<b>Cash generated from operations</b>	<b>19,805.52</b>	<b>2,001.17</b>
Less: Income tax paid	(1,350.19)	(3,063.29)
<b>Net cash flow (used in) / from operating activities (A)</b>	<b>18,455.33</b>	<b>(1,062.12)</b>
<b>(B) Cash Flow From Investing Activities</b>		
- Addition to property, plant and equipment and intangible assets, capital-work-in-progress and intangible assets under development	(4,903.62)	(8,658.79)
- Proceeds from sale of property plant and equipment	536.97	73.32
- Interest received	52.85	11.83
- Proceeds from / (investment in) bank deposits	(7.79)	8.71
- Dividends received	20.58	11.76
- Investment in equity shares of subsidiaries company	(82.00)	(118.00)
<b>Net cash flow (used in) / from Investing Activities (B)</b>	<b>(4,383.01)</b>	<b>(8,671.17)</b>
<b>(C) Cash Flow From Financing Activities</b>		
- Repayment of long term borrowings	(1,794.09)	(288.86)
- Proceeds from long term borrowings	4,470.23	289.76
- Proceeds/(Repayment) from/of short term borrowings	(10,318.30)	10,966.77
- Payment of lease liabilities	(178.99)	(199.07)
- Interest paid	(1,096.27)	(1,315.41)
- Dividend paid (final & interim)	(887.94)	(1,479.89)
<b>Net cash flow (used in) / from financing activities (C)</b>	<b>(9,805.36)</b>	<b>7,973.30</b>
<b>Net increase/ (decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>4,266.96</b>	<b>(1,759.99)</b>
Cash and cash equivalents at the beginning of the year	1,838.31	3,598.30
<b>Cash and cash equivalents at the end of the year</b>	<b>6,105.27</b>	<b>1,838.31</b>



## Standalone Statement of Cash Flow for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with banks on current accounts	1,994.80	1,830.65
Cash on hand	8.45	7.66
Deposits with original maturity upto three months	4,102.02	-
<b>Total cash and cash equivalents</b>	<b>6,105.27</b>	<b>1,838.31</b>

### Non cash changes in liabilities arising from financial liabilities:

Current reporting period:

Particulars	As at April 1, 2023	Cash flows	Unrealised exchange difference	Other non cash changes	As at March 31, 2024
Long term borrowings (including current maturities)	185.93	2,676.14	55.09	-	2,917.16
Lease liabilities (including current maturities)	362.75	(178.99)	-	227.29	411.05
Short term borrowings	15,721.03	(10,318.30)	-	-	5,402.73
	<b>16,269.71</b>	<b>(7,821.15)</b>	<b>55.09</b>	<b>227.29</b>	<b>8,730.94</b>

Previous reporting period:

Particulars	As at April 1, 2022	Cash flows	Unrealised exchange difference	Other non cash changes	As at March 31, 2023
Long term borrowings (including current maturities)	185.03	0.90	-	-	185.93
Lease liabilities (including current maturities)	455.67	(199.07)	-	106.15	362.75
Short term borrowings	4,754.26	10,966.77	-	-	15,721.03
	<b>5,394.96</b>	<b>10,768.60</b>	<b>-</b>	<b>106.15</b>	<b>16,269.71</b>

The accompanying notes are an integral part of the standalone financial statements.

Material Accounting Policies

1 to 2

Notes to Financial Statements

3 to 52

As per our separate report of even date annexed herewith

**For S S KOTHARI MEHTA & CO. LLP**

Chartered Accountants

Firm Registration No. - 000756N / N500441

**For DEVESH PAREKH & CO.**

Chartered Accountants

Firm Registration No. - 013338N

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

INSECTICIDES (INDIA) LIMITED

CIN : L65991DL1996PLC083909

**VIJAY KUMAR**

Partner

Membership No.- 092671

**DEVESH PAREKH**

Partner

Membership No.- 092160

**HARI CHAND AGGARWAL**

Chairman

DIN: 00577015

**RAJESH KUMAR AGGARWAL**

Managing Director

DIN: 00576872

**SANDEEP KUMAR**

Company Secretary

PAN : AQIPK8144P

**NIKUNJ AGGARWAL**

Whole Time Director

DIN: 06569091

**SANDEEP KUMAR AGGARWAL**

Chief Financial Officer

PAN : AAVPA7635C

**Place :** Delhi

**Date :** May 28, 2024

## Notes to Standalone Financial Statements for the year ended March 31, 2024

### 1. Corporate Information

**Insecticides (India) Limited** ("The Company") (CIN: L65991DL1996PLC083909) is a public Company domiciled in India and incorporated under the provisions of the Companies Act. The shares of the Company are listed in India on the Bombay Stock Exchange Limited and National Stock Exchange. The registered office of the Company is located at 401-402, Lusa Tower, Azadpur Commercial Complex, Delhi, 110033. The Company is engaged in the manufacturing activities of Agro Chemicals, Pesticides and Technical Products for agriculture purposes. The Company caters to both domestic and international markets.

The financial statements were authorised for issue in accordance with a resolution of the directors on May 28, 2024.

### 2. Material accounting policies

#### 2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 notified under section 133 of the Companies Act 2013 ("the Act") as amended thereafter and other relevant provision of the Act.

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- (a) Derivative financial instruments,
- (b) Plan assets of defined employee benefit plans, and
- (c) Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)

The financial statements are presented in Indian Rupees (INR) which is also the Company's functional currency and all values are rounded to the nearest lacs, except when otherwise indicated.

#### 2.2. Summary of material accounting policies

##### (a) Investment in subsidiaries and joint ventures

A subsidiary is an entity that is controlled by another entity.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement

have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The Company's investments in its subsidiaries and joint ventures are accounted at cost less impairment.

##### Impairment of investments

The Company reviews its carrying value of investments carried at cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is recorded in the Statement of Profit and Loss.

##### (b) Revenue recognition

###### Revenue from Contracts with Customers

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

Revenue is stated exclusive of Goods and Service Tax (GST).

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in Note 32.

The specific recognition criteria described below must also be met before revenue is recognised.

###### Sales of goods

Revenue from the sale of goods is recognised at the point in time when control is transferred to the customer which is usually on shipment. Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, rebates, scheme allowances, price concessions, incentives, and returns, if any, as specified in the contracts with the customers. Revenue excludes taxes collected from customers on behalf of the government. Accruals for discounts/incentives and returns are estimated (using the most likely method) based on accumulated experience and underlying

## Notes to Standalone Financial Statements for the year ended March 31, 2024

schemes and agreements with customers. Due to the short nature of credit period given to customers, there is no financing component in the contract.

### Rendering of services

Revenue from sale of services is recognised over the period of time as per the terms of the contract with customers based on the stage of completion when the outcome of the transactions involving rendering of services can be estimated reliably.

### Contract balances

#### Trade receivables

A receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (om) financial instruments.

#### Contract liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Company transfers the related goods or services. Contract liabilities are recognised as revenue when the Company performs under the contract (i.e., transfers control of the related goods or services to the customer).

### Other income

#### Interest Income

For all financial instruments measured either at amortised cost or fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the 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. Interest income is included in other income in the Statement of Profit and Loss.

### Dividends

Revenue is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

### (c) Property, plant and equipment

Items of property, plant and equipment and capital work-in progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in Statement of Profit and Loss as incurred. In respect of additions to /deletions from the property, plant and equipment, depreciation is provided on pro-rata basis with reference to the datemonth of addition/deletion of the assets.

The Company, based on technical assessment made by technical expert and management estimate, depreciates certain items of plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. Depreciation on remaining items of property, plant & equipment has been provided on Straight Line Method based on useful life of the assets as prescribed in Schedule II of the Companies Act, 2013. . Furthermore, the Company considers climate-related matters,

## Notes to Standalone Financial Statements for the year ended March 31, 2024

including physical and transition risks. Specifically, the Company determines whether climate-related legislation and regulations might impact either the useful life or residual values.

### Estimated useful lives of the assets are as follows:

Nature of Tangible Assets	Useful Life (years)
Plant & Equipments	10 – 15
Building	30
Laboratory Equipments	10
Office Equipments	5
Furniture, Fixtures & Equipments	10
Vehicles	8-10
Leasehold improvements	Over the period of lease or useful life whichever is lower

An item of property, plant and equipment 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 the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss income statement when the asset is derecognised.

### (d) Investment Properties

Investment properties are properties held for rental income, capital appreciation or the purpose of future use is not yet determined by the management as of the reporting date. Investment properties are measured initially at cost, including transaction costs. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the asset will flow to the Company. All other repair and maintenance costs are recognized in Statement of profit and loss as incurred.

Investment properties are subsequently measured at cost less accumulated depreciation and accumulated impairment losses, if any. Though the Company measures investment properties using cost-based measurement, the fair value of investment properties are disclosed in the notes. Fair values are determined based on the evaluation performed by the management based on the acceptable valuation method.

Investment properties are de-recognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The

difference between the net disposal proceeds, if any, and the carrying amount of the asset is recognized in the Statement of profit and loss in the period of de-recognition.

The Company depreciates building component of investment property over 30 years from the date of original purchase.

Transfers are made to (or from) investment properties only when there is a change in use. Transfers between investment property, owner-occupied property and inventories do not change the carrying amount of the property transferred and they do not change the cost of that property for measurement or disclosure purposes.

### (e) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets with finite life are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Intangible assets are amortized on a straight line basis over the estimated useful economic life.

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when

## Notes to Standalone Financial Statements for the year ended March 31, 2024

the Company can demonstrate technical and commercial feasibility of making the asset available for use or sale.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset.

A summary of the policies applied to the Company's intangible assets is as follows:-

Intangible assets	Useful Life (years)	Amortization method used
Computer Software	8	Amortized on straight-line basis
Websites	2	Amortized on straight-line basis
Patents, trademarks and designs	10	Amortized on straight-line basis

### (f) Foreign currencies

#### Transactions and Balances

Transactions in foreign currency are recorded applying the exchange rate at the date of transaction. Monetary assets and liabilities denominated in foreign currency remaining unsettled at the end of the year, are translated at the closing rates prevailing on the Balance Sheet date. Non-monetary items which are carried in terms of historical cost denominated in foreign currency are reported using the exchange rate at the date of transaction. Exchange differences arising as a result of the above are recognized as income or expenses in the Statement of Profit and Loss. Exchange difference arising on the settlement of monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or expenses in the year in which they arise.

Foreign exchange difference on foreign currency borrowings, settlement gain/loss and fair value gain/loss on derivative contract relating to borrowings

are accounted and disclosed under finance cost. Such exchange difference does not include foreign exchange difference regarded as an adjustment to the borrowings cost and capitalised with cost of assets.

### (g) Fair value measurement

The Company measures financial instruments, such as, derivatives and equity investments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1** — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2** — Valuation techniques for which the lowest level input that is significant to

## Notes to Standalone Financial Statements for the year ended March 31, 2024

the fair value measurement is directly or indirectly observable.

- c) Level 3** – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Quantitative disclosures of fair value measurement hierarchy (note 34)
- Financial instruments (including those carried at amortised cost) (note 7, 11, 15 and 18)

### (h) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

A lease is a contract that contains right to control the use of an identified asset for a period of time in exchange for consideration.

#### Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

The Company has lease contracts for various items of land, office premises, warehouses and vehicles.

#### i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the

date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Nature of Right-of-use assets	Depreciation period
Office premises	3-5 years
Warehouses	3-5 years
Land	60-198 years

There are renewal terms that can extend the lease term for up to 2 years and are included in the lease term when it is reasonably certain that the Company will exercise the option. The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (I) Impairment of non-financial assets.

The Right-of-use assets are presented as separate line item in the balance sheet.

#### ii) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the

## Notes to Standalone Financial Statements for the year ended March 31, 2024

commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments.

The lease liabilities are presented as separate line item in the balance sheet under financial liabilities.

### iii) Short-term leases

The Company applies the short-term lease recognition exemption to its short-term leases of office premises, warehouses and vehicles (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option).

Lease payments on short-term leases are recognised as expense on a straight-line basis over the lease term.

### Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in other income in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

### (i) Inventories

The items of inventories are measured at cost after providing for obsolescence, if any. Cost of inventories comprise of cost of purchase, cost of conversion and appropriate portion of variable and fixed proportion overheads and such other costs incurred in bringing them to their respective present location and condition. Fixed production overheads are based on normal capacity of production facilities.

Stores and spares, packing materials and raw materials are valued at lower of cost or net realisable value. However, the aforesaid items are not valued below cost if the finished products in which they are to be incorporated are expected to be sold at or above cost.

Semi-finished products, finished products and by-products are valued at lower of cost or net realisable value.

Traded goods are valued at lower of cost and net realizable value.

Cost of raw material, process chemicals, stores and spares packing materials, trading and other products are determined on weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

### (j) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment

## Notes to Standalone Financial Statements for the year ended March 31, 2024

loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the Statement of Profit and Loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

The Company assesses whether climate risks, including physical risks and transition risks could have a significant impact. If so, these risks are included in the cash-flow forecasts in assessing value-in-use amounts.

### (k) Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. Provisions are reviewed at each balance sheet and adjusted to reflect the current best estimates.

#### Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

#### Contingent Assets

A contingent asset is not recognised unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, contingent assets are disclosed in the financial statements.

Contingent liabilities and contingent assets are reviewed at each balance sheet date.

### (l) Retirement and other employee benefits

Provident Fund and Employee State Insurance is a defined contribution scheme established under a State Plan. The contributions to the scheme are charged to the Statement of Profit and Loss in the year when employee rendered related services.

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on post-employment at 15 days salary (last drawn salary) for each completed year of service as per the rules of the Company. The aforesaid liability is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of the financial year. The scheme is funded with an insurance Company in the form of a qualifying insurance policy.

The Company has other long-term employee benefits in the nature of leave encashment. The liability in respect of leave encashment is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of the financial year. The aforesaid leave encashment is unfunded.

Re-measurement, comprising of actuarial gains and losses, the effect of asset ceiling, excluding amounts included in the net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

### (m) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.



## Notes to Standalone Financial Statements for the year ended March 31, 2024

### Financial assets

#### Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. All trade receivables do not contain a significant financing component and are measured at transaction price.

#### Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- a) Debt instruments at amortised cost
- b) Debt instruments at fair value through other comprehensive income (FVTOCI)
- c) Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- d) Equity instruments measured at fair value through other comprehensive income (FVTOCI)

#### Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise to specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade receivables, security deposits & other receivables.

#### Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

#### Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has designated certain debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

#### Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the

## Notes to Standalone Financial Statements for the year ended March 31, 2024

amounts from OCI to profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

### Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's consolidated balance sheet) when:

- a) The rights to receive cash flows from the asset have expired, or
- b) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

### Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance,
- b) Financial assets that are debt instruments and are measured as at FVTOCI,
- c) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade and other receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- a) All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument

## Notes to Standalone Financial Statements for the year ended March 31, 2024

cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

- b) Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.
- c) Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables:

ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the company does not reduce impairment allowance from the gross carrying amount.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. On that basis, the Company estimates the following provision matrix at the reporting date:

Not due	0-90 days	90-180 days	180-360 days	360 -720days	More than 720 days
0.10%	0.20%	0.50%	5.00%	50.00%	100.00%

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss. This amount is reflected under the head 'other expenses' in the Statement of Profit and Loss.

### (n) Financial liabilities

#### Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including cash credits and derivative financial instruments.

#### Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

#### Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

This category generally applies to borrowings. For more information, refer note 15 and 18

#### Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

#### Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

## Notes to Standalone Financial Statements for the year ended March 31, 2024

### Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

### (o) Derivative financial instruments

#### Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as interest rate swaps, currency swaps, options and forward contracts to hedge its interest rate and foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss.

### (p) Dividend

The Company recognises a liability to make cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

### (q) Taxes

#### Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are

subject to interpretation and establishes provisions where appropriate.

#### Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- a) When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences.
- b) In respect of taxable temporary differences associated with interests in subsidiaries and joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

## Notes to Standalone Financial Statements for the year ended March 31, 2024

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

In assessing the recoverability of deferred tax assets, the Company relies on the same forecast assumptions used elsewhere in the financial statements and in other management reports, which, among other things, reflect the potential impact of climate-related development on the business, such as increased cost of production as a result of measures to reduce carbon emission.

Deferred tax relating to items recognised outside Statement of Profit and Loss is recognised outside Statement of Profit and Loss (in other comprehensive income). Deferred tax items are recognised in correlation to the underlying transaction either in Statement of Profit and Loss or in OCI.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

### (r) Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related assets.

### (s) Climate-related matters

The Company considers climate-related matters in estimates and assumptions, where appropriate. This assessment includes a wide range of possible impacts on the Company due to both physical and transition risks. Even though the Company believes its business model and products will still be viable after the transition to a low-carbon economy, climate-related matters increase the uncertainty in estimates and assumptions underpinning several items in the financial statements. Even though climate-related risks might not currently have a significant impact on measurement, the Company is closely monitoring relevant changes and developments, such as new climate-related legislation.

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

### Property, Plant and Equipment and Capital work-in-progress

#### 3(a) Property, Plant and Equipment

Current reporting period:

Description of assets	GROSS CARRYING AMOUNT			ACCUMULATED DEPRECIATION			NET CARRYING AMOUNT		
	Balance as at April 01, 2023	Addition	Sale / Adjustment	Balance as at March 31, 2024	Balance as at April 01, 2023	Depreciation expense	Disposal / adjustment	Balance as at March 31, 2024	As at March 31, 2023
Freehold land	104.63	0.05	88.51	16.17	-	-	-	-	104.63
Buildings*	10,538.25	822.35	151.44	11,209.16	1,866.78	378.10	41.87	2,202.91	8,671.47
Plant and machinery	21,351.45	2,217.03	379.04	23,189.44	8,932.94	1,705.52	175.79	10,462.67	12,418.51
Roads	1,330.39	-	-	1,330.39	1,076.00	153.72	-	1,229.72	254.39
Office equipments	176.27	30.39	-	206.66	119.88	20.45	-	140.33	56.39
Furniture & fixtures	243.92	28.75	-	272.67	144.07	22.66	-	166.73	99.85
Electrical fittings	490.64	7.06	-	497.70	307.72	23.43	-	331.15	182.92
Computers	271.49	53.80	3.16	322.13	203.83	33.23	2.94	234.12	67.66
Vehicles	1,753.10	579.82	181.58	2,151.34	628.30	2574.28	109.82	755.75	1,124.80
<b>Total</b>	<b>36,260.14</b>	<b>3,739.25</b>	<b>803.73</b>	<b>39,195.66</b>	<b>13,279.52</b>	<b>2,574.38</b>	<b>330.42</b>	<b>15,523.38</b>	<b>23,672.28</b>

\* Reclassified to investment property, Gross Block - INR 151.44 Accumulated Depreciation - INR 41.87

#### Previous reporting period

Description of assets	GROSS CARRYING AMOUNT			ACCUMULATED DEPRECIATION			NET CARRYING AMOUNT		
	Balance as at April 01, 2022	Addition	Sale / Adjustment	Balance as at March 31, 2023	Balance as at April 01, 2022	Depreciation expense	Disposal / adjustment	Balance as at March 31, 2023	As at March 31, 2022
Freehold land	88.51	16.12	-	104.63	-	-	-	-	88.51
Buildings	9,306.86	1,231.39	-	10,538.25	1,535.30	331.48	-	1,866.78	7,771.56
Plant and machinery	19,759.24	1,602.89	10.68	21,351.45	7,424.84	1,510.75	2.65	8,932.94	12,334.40
Roads	1,330.39	-	-	1,330.39	922.30	153.70	-	1,076.00	408.09
Office equipments	157.08	19.68	0.49	176.27	102.61	17.66	0.39	119.88	54.47
Furniture & fixtures	238.36	5.56	-	243.92	120.76	23.31	-	144.07	117.60
Electrical fittings	472.55	18.09	-	490.64	281.83	25.89	-	307.72	190.72
Computers	256.21	15.60	0.32	271.49	175.30	28.74	0.21	203.83	80.91
Vehicles	1,568.68	355.52	171.10	1,753.10	529.18	198.49	99.37	628.30	1,039.50
<b>Total</b>	<b>33,177.88</b>	<b>3,264.85</b>	<b>182.59</b>	<b>36,260.14</b>	<b>11,092.12</b>	<b>2,290.02</b>	<b>102.62</b>	<b>13,279.52</b>	<b>22,085.76</b>

Note:-

- Contractual obligations - Refer to note 40 for disclosure of contractual commitments for the acquisition of property, plant and equipment.
- Assets charged against borrowings - Refer note 43 for property, plant and equipment pledged as security against current and non-current borrowings.

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

### 3(b) Capital Work In Progress

Cost	Amount
<b>As at April 1, 2022</b>	<b>8,576.95</b>
Additions	5,813.91
Capitalised during the year	(2,645.47)
<b>As at March 31, 2023</b>	<b>11,745.39</b>
<b>As at April 1, 2023</b>	<b>11,745.39</b>
Additions	4,433.11
Capitalised during the year	(2,709.77)
<b>As at March 31, 2024</b>	<b>13,468.73</b>

#### CWIP Aging Schedule:

##### Current reporting period:

CWIP	Amount in CWIP for a period of				Total
	Less than 1 yr.	1-2 yrs.	2-3 yrs.	More than 3 yrs.	
Projects in progress	3,935.41	3,509.31	3,925.88	2,098.13	13,468.73
Projects temporarily suspended	-	-	-	-	-

#### CWIP Aging Schedule:

##### Previous reporting period:

CWIP	Amount in CWIP for a period of				Total
	Less than 1 yr.	1-2 yrs.	2-3 yrs.	More than 3 yrs.	
Projects in progress	4358.40	4995.40	1242.20	1149.39	11745.39
Projects temporarily suspended	-	-	-	-	-

#### Note:-

**Capital work-in-progress** - Capital work-in-progress majorly comprises expenditure in the course of construction at Dahej, Behror and Chopanki Technical Plant.

### 3(c) Investment Property

Description	GROSS CARRYING AMOUNT				ACCUMULATED DEPRECIATION				NET CARRYING AMOUNT	
	Opening	Additions	Disposals	Closing	Opening	Additions	Disposals	Closing	As at	As at
									March 31, 2024	March 31, 2023
Building	-	109.57	-	109.57	-	0.10	-	0.10	109.47	-
<b>Total</b>	<b>-</b>	<b>109.47</b>	<b>-</b>	<b>109.57</b>	<b>-</b>	<b>0.10</b>	<b>-</b>	<b>0.10</b>	<b>109.47</b>	<b>-</b>

#### Note:-

- During the year, the Company has reclassified a building from Property, Plant and Equipment to Investment Property as the building is let out for 36 months {refer note 41(c)} and the future use of building is undetermined.

The reclassification has been accounted for prospectively, and the building will now be accounted for in accordance with the measurement and disclosure requirements of Investment Property as outlined in the Company's accounting policies.

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

- ii. Information regarding income and expenditure of Investment Property:

Particulars	As at March 31, 2024	As at March 31, 2023
Rental Income	0.85	-
Direct operating expenses from property that generated rental income	0.85	-
<b>Profit from investment properties before depreciation</b>	<b>0.85</b>	<b>-</b>
Depreciation charge	0.10	-
<b>Profit from investment properties</b>	<b>0.75</b>	<b>-</b>

- iii. Fair Value of investment property:

The fair value of investment property has been determined by the management using the prevailing circle rates applicable to the same location and are considered to be a fair representation at which such property can be sold in an active market. The Company has not used the services of a registered valuer in accordance with rule 2 of Companies (Registered valuer and valuation) Rules, 2017) for the valuation of the investment property.

Description of item of property	Fair Value as at March 31, 2024
Building - Mumbai	109.47

- iv. On transfer, the Company has elected to continue with the carrying value of Investment property measured as earlier and use the carrying value as the deemed cost of Investment property.



## Notes to Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

### 4 Right-of-Use Assets

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

#### Current reporting period:

Description of assets	GROSS CARRYING AMOUNT			ACCUMULATED AMORTISATION			NET CARRYING AMOUNT		
	Balance as at April 01, 2023	Additions / Modifications during the year	Disposal / Derecognition during the year	Balance as at March 31, 2024	Balance as at April 01, 2023	Depreciation expense	Disposal / Derecognition during the year	Balance as at March 31, 2024	As at March 31, 2023
Land	2,241.89	1,354.22	-	3,596.11	61.48	27.21	-	88.69	2,180.41
Office Premises	92.19	49.89	46.41	95.67	50.50	28.24	43.36	35.38	41.69
Warehouses	585.06	180.72	98.27	667.51	309.87	179.51	98.26	391.12	275.19
<b>Total</b>	<b>2,919.14</b>	<b>1,584.83</b>	<b>144.68</b>	<b>4,359.29</b>	<b>421.85</b>	<b>234.96</b>	<b>141.62</b>	<b>515.19</b>	<b>2,497.29</b>

#### Previous reporting period:

Description of assets	GROSS CARRYING AMOUNT			ACCUMULATED AMORTISATION			NET CARRYING AMOUNT		
	Balance as at April 01, 2022	Additions / Modifications during the year	Disposal / Derecognition during the year	Balance as at March 31, 2023	Balance as at April 01, 2022	Depreciation expense	Disposal / Derecognition during the year	Balance as at March 31, 2023	As at March 31, 2022
Land	2,241.89	-	-	2,241.89	45.83	15.65	-	61.48	2,196.06
Office Premises	147.23	20.58	75.62	92.19	50.85	33.66	34.01	50.50	96.38
Warehouses	574.52	190.63	180.09	585.06	271.12	168.74	129.99	309.87	303.40
<b>Total</b>	<b>2,963.64</b>	<b>211.21</b>	<b>255.71</b>	<b>2,919.14</b>	<b>367.80</b>	<b>218.05</b>	<b>164.00</b>	<b>421.85</b>	<b>2,595.84</b>

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

### Other intangible assets and intangible assets under development

#### 5(a) Other intangible assets

Current reporting period:

Description of assets	GROSS CARRYING AMOUNT			ACCUMULATED AMORTISATION			NET CARRYING AMOUNT		
	Balance as at April 01, 2023	Addition	Sale / Adjustment	Balance as at March 31, 2024	Balance as at April 01, 2023	Amortisation expense	Disposal / adjustment	Balance as at March 31, 2024	As at March 31, 2023
Software	174.42	-	-	174.42	66.91	21.67	-	88.58	107.51
Website	-	-	-	-	-	-	-	-	-
Patents, trademarks and designs	857.39	124.44	-	981.83	269.66	93.84	-	363.50	587.73
<b>Total</b>	<b>1,031.81</b>	<b>124.44</b>	<b>-</b>	<b>1,156.25</b>	<b>336.57</b>	<b>115.51</b>	<b>-</b>	<b>452.08</b>	<b>695.24</b>

Previous reporting period:

Description of assets	GROSS CARRYING AMOUNT			ACCUMULATED AMORTISATION			NET CARRYING AMOUNT		
	Balance as at April 01, 2022	Addition	Sale / Adjustment	Balance as at March 31, 2023	Balance as at April 01, 2022	Amortisation expense	Disposal / adjustment	Balance as at March 31, 2023	As at March 31, 2022
Software	132.92	41.50	-	174.42	45.47	21.44	-	66.91	87.45
Website	1.00	-	1.00	-	0.60	0.40	1.00	-	0.40
Patents, trademarks and designs	721.41	139.64	3.66	857.39	193.05	80.27	3.66	269.66	528.36
<b>Total</b>	<b>855.33</b>	<b>181.14</b>	<b>4.66</b>	<b>1,031.81</b>	<b>239.12</b>	<b>102.11</b>	<b>4.66</b>	<b>336.57</b>	<b>616.21</b>

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

### 5(b) Intangible assets under development\*

Particulars	Amount
<b>As at April 1, 2022</b>	<b>520.62</b>
Additions	206.36
Capitalised during the year	(168.64)
<b>As at March 31, 2023</b>	<b>558.34</b>
<b>As at April 1, 2023</b>	<b>558.34</b>
Additions	208.48
Capitalised during the year	(124.45)
<b>As at March 31, 2024</b>	<b>642.37</b>

\* Intangible assets under development mainly comprises software under development and patents for which registration is awaited.

#### Intangible assets under development aging schedule:

##### Current reporting period:

Intangible Assets under Development	Amount in CWIP for a period of				Total
	Less than 1 yr.	1-2 yrs.	2-3 yrs.	More than 3 yrs.	
Projects in progress	208.48	184.91	8.80	240.18	642.37
Projects temporarily suspended	-	-	-	-	-

#### Intangible assets under development aging schedule:

##### Previous reporting period:

CWIP	Amount in CWIP for a period of				Total
	Less than 1 yr.	1-2 yrs.	2-3 yrs.	More than 3 yrs.	
Projects in progress	193.07	15.58	78.27	271.42	558.34
Projects temporarily suspended	-	-	-	-	-

## 6 Investment in subsidiaries and joint venture - at cost

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Investment in subsidiary</b>		
<b>Investment in unquoted equity shares - Fully paid-up - At cost</b>		
20,00,000 (March 31, 2023: 11,80,000) Equity shares of IIL Biologicals Limited at INR 10 each *	200.00	118.00
<b>Investment in subsidiary</b>		
<b>Investment in unquoted equity shares - Fully paid-up - At cost</b>		
50 (March 31, 2023: Nil) Equity shares of IIL Overseas DMCC (Dubai) at AED 1000 each **	11.13	-
<b>Investment in joint venture</b>		
<b>Investment in unquoted equity shares - Fully paid-up - At cost</b>		
795,000 (March 31, 2023: 795,000) Equity shares of OAT & IIL India Lab.(P) Ltd. at INR 100 each	795.00	795.00
<b>Total</b>	<b>1,006.13</b>	<b>913.00</b>

\* During the year, additional investment of 8,20,000 equity shares of INR 10/- each (representing 100% of the total equity capital) in IIL Biologicals Limited were made by the Company.

\*\* During the year, 50 Equity shares of AED 1000/- each (representing 100% of the Total Equity Capital) of IIL Overseas DMCC (Dubai) were acquired by the Company. As a result, w.e.f. 01 May 2023, IIL Overseas DMCC (Dubai) became subsidiary of the Company.

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

### 7 Financial assets - non-current

#### 7(a) Investments

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Investments stated at fair value through OCI</b>		
<b>Investments in equity instruments - quoted (fully paid) - Listed at Tokyo Stock Exchange</b>		
72,800 (March 31, 2023: 72,800) equity shares of OAT Agrio Co. Ltd. (Co-venturer of Joint venture company)	852.89	631.80
<b>Total</b>	<b>852.89</b>	<b>631.80</b>
Aggregate book value of quoted investments	852.89	631.80
Aggregate market value of quoted investments	852.89	631.80

#### 7(b) Other financial assets

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Measured at amortised cost</b>		
<b>(Unsecured, considered good unless otherwise stated)</b>		
Deposit accounts with banks having remaining maturity more than twelve months	34.17	37.04
On deposit accounts with remaining maturity more than twelve months	101.00	-
Interest accrued on fixed deposit with banks	0.43	-
Security deposits	205.78	168.52
<b>Total</b>	<b>341.38</b>	<b>205.56</b>

### 8 Income tax assets (net)

Particulars	As at March 31, 2024	As at March 31, 2023
Advance income tax	683.85	2,628.84
[Net of provision for tax INR 3,429.06 (March 31, 2023: INR 2123.47 Lacs)]		
<b>Total</b>	<b>683.85</b>	<b>2,628.84</b>

### 9 Other non-current assets

Particulars	As at March 31, 2024	As at March 31, 2023
<b>(Unsecured, considered good unless otherwise stated)</b>		
Capital advances		
- to related parties (refer note 38)	213.26	203.26
- to others	350.58	2,732.21
<b>Advances other than capital advances</b>		
Balances with government authorities	364.95	369.44
Prepaid expenses	1.45	11.98
<b>Total</b>	<b>930.24</b>	<b>3,316.89</b>

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

### 10 Inventories

Particulars	As at March 31, 2024	As at March 31, 2023
<b>At the lower of cost and net realisable value</b>		
Raw material {(INR 1143.44 Lacs (March 31, 2023: NIL) in transit)}	27,627.28	35,560.59
Packing material	1,883.80	2,157.30
Work-in-progress	9,642.21	8,797.17
Stock-in-trade (Traded goods) {(INR 0.54 Lacs (March 31, 2023: NIL) in transit)}	1,556.67	1,712.16
Finished goods (Manufactured) {(INR 1.66 Lacs 43.66 (March 31, 2023: INR 1.64 Lacs) in transit)}	39,734.07	37,821.26
Stores, Scrap material, Spares Parts & Fuel	202.00	123.59
<b>Total</b>	<b>80,646.03</b>	<b>86,172.07</b>

### 11 Financial assets - current

#### 11(a) Trade Receivables

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Trade receivables</b>	43.66	
- related parties (refer note 38)	43.17	474.00
- others	31382.06	30,637.14
Less: Allowance for expected credit losses	(1,758.90)	(1,486.70)
<b>Total (refer note 46)</b>	<b>29,666.82</b>	<b>29,624.44</b>
<b>Breakup of Trade Receivables</b>		
Unsecured, considered good	29,666.82	29,624.44
Credit Impaired	1,758.90	1,486.70
<b>Subtotal</b>	<b>31,425.72</b>	<b>31,111.14</b>
Allowance for expected credit losses (refer note 35)	(1,758.90)	(1,486.70)
<b>Total</b>	<b>29,666.82</b>	<b>29,624.44</b>

(a) No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person.	-	-
(b) Trade or Other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member, refer note 38.	-	11.21
(c) Trade receivables are non-interest bearing and are generally on terms of 90 to 180 days.		
(d) For explanations on the Company's credit risk management processes, refer note 35.		

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

### Trade receivable aging schedule

#### As at March 31, 2024

Particulars	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables- considered good	17,350.30	10,851.09	1,214.42	481.54	149.49	118.11	30,164.95
(ii) Undisputed Trade Receivables- considered doubtful	-	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	128.26	4.58	41.32	1,086.61	1,260.77
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-	-
<b>Gross carrying amount</b>	<b>17,350.30</b>	<b>10,851.09</b>	<b>1,342.68</b>	<b>486.12</b>	<b>190.81</b>	<b>1,204.72</b>	<b>31,425.72</b>
Allowance for expected credit losses	(17.27)	(35.91)	(67.13)	(243.06)	(190.81)	(1,204.72)	(1,758.90)
<b>Net carrying amount</b>	<b>17,333.03</b>	<b>10,815.18</b>	<b>1,275.55</b>	<b>243.06</b>	<b>-</b>	<b>-</b>	<b>29,666.82</b>

#### As at March 31, 2023

Particulars	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables- considered good	20,685.51	8,567.03	260.16	310.15	30.53	130.96	29,984.34
(ii) Undisputed Trade Receivables- considered doubtful	-	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	0.83	27.89	106.06	992.02	1,126.80
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-	-
<b>Gross carrying amount</b>	<b>20,685.51</b>	<b>8,567.03</b>	<b>260.99</b>	<b>338.04</b>	<b>136.59</b>	<b>1,122.98</b>	<b>31,111.14</b>
Allowance for expected credit losses	(20.63)	(24.43)	(13.05)	(169.02)	(136.59)	(1,122.98)	(1,486.70)
<b>Net carrying amount</b>	<b>20,664.88</b>	<b>8,542.60</b>	<b>247.94</b>	<b>169.02</b>	<b>-</b>	<b>-</b>	<b>29,624.44</b>

There are no unbilled receivables, hence the same is not disclosed in the ageing schedule.

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

### 11(b) Cash and cash equivalents

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with banks	683.85	2,628.84
In current accounts	1994.80	1830.65
Cash on hand	8.45	7.66
Deposit accounts with original maturity upto three months	4102.02	
<b>Total</b>	<b>6105.27</b>	<b>1838.31</b>

### 11(c) Other bank balances

Particulars	As at March 31, 2024	As at March 31, 2023
In earmarked accounts		
Unpaid dividend	5.45	5.23
Balances with banks		
On deposit accounts with remaining maturity less than twelve months	10.38	101.36
<b>Total</b>	<b>15.83</b>	<b>106.59</b>

### 11(d) Loans

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Unsecured, considered good</b>		
Loans to employees	14.39	19.23
<b>Total</b>	<b>14.39</b>	<b>19.23</b>

#### Note:-

Loans due from directors or other officers of the Company at the end of the period

### 11(e) Other financial assets

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Measured at fair value through profit and loss</b>		
Derivative assets	20.62	43.27
<b>Measured at amortised cost (unsecured, considered good)</b>		
Dividend receivable	18.68	17.20
Insurance claim recoverable	179.36	-
Litigation charges recoverable	19.60	19.60
Export incentive recoverable	9.51	9.33
<b>Total</b>	<b>247.77</b>	<b>89.40</b>

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

### 12 Other current assets

Particulars	As at March 31, 2024	As at March 31, 2023
<b>(Unsecured, considered good unless otherwise stated)</b>		
Advances to suppliers		
-to related parties (refer note 38)	-	209.20
-to others	1,327.24	698.86
Advances to employees	14.70	14.39
Balances with government authorities	6,250.65	4,053.39
Prepaid expenses	431.38	369.39
<b>Total</b>	<b>8,023.97</b>	<b>5,345.23</b>

Advance due from directors or other officers at the end of the year

Advance due by firms or private companies in which any director of the company is a director or member

### 13 Equity share capital

Particulars	Number of shares	INR
<b>Authorised share capital</b>		
<b>As at April 1, 2022</b>	<b>2,50,00,000</b>	<b>2,500.00</b>
Increase/(decrease) during the year	1,00,00,000	1,000.00
<b>At March 31, 2023</b>	<b>3,50,00,000</b>	<b>3,500.00</b>
<b>As at April 1, 2023</b>	<b>3,50,00,000</b>	<b>3,500.00</b>
Increase/(decrease) during the year	-	-
<b>At March 31, 2024</b>	<b>3,50,00,000</b>	<b>3,500.00</b>
<b>Issued equity share capital</b>		
Equity shares of INR 10 each issued, subscribed and fully paid.		
<b>As at April 1, 2022</b>	<b>1,97,31,891</b>	<b>1,973.19</b>
Issue of bonus shares during the year	98,65,946	986.59
<b>At March 31, 2023</b>	<b>2,95,97,837</b>	<b>2,959.78</b>
<b>As at April 1, 2023</b>	<b>2,95,97,837</b>	<b>2,959.78</b>
Issue of bonus shares during the year	-	-
<b>At March 31, 2024</b>	<b>2,95,97,837</b>	<b>2,959.78</b>

#### (a) Rights, preferences and restrictions attached to shares:

The company has only one class of equity shares having face value of INR 10/- per share. Each shareholder is eligible for one vote per share held. In the event of liquidation of the company, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amount, in proportion to their shareholding.

#### (b) Increase in Authorised Share Capital:

During the financial year 2022-23, the authorised share capital of the Company has been increased from INR 2500 Lacs consisting of 2,50,00,000 equity shares of face value of INR 10/- each to INR 3500 Lacs consisting of 3,50,00,000 equity shares of face value of INR 10/- each. During the financial year 2023-24, there is no change in authorised share capital.

#### (c) Aggregate number of equity shares issued as bonus during the period of five years immediately preceding the reporting date

During the financial year 2022-23, the Company has allotted 98,65,946 equity shares of face value of INR 10/- each as bonus shares in the proportion of One bonus equity share of face value of INR 10/- for every Two equity share of face value of INR 10/- held as on the record date, by capitalising an amount of INR 986.59 from securities premium. The bonus shares were listed on BSE Limited and National Stock Exchange of India Limited w.e.f. October 17, 2022.



## Notes to Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

### (d) The details of Shareholders holding more than 5% shares:

Name of the Shareholder	As at March 31, 2024		As at March 31, 2023	
	Number of Shares	% Held	Number of Shares	% Held
Rajesh Kumar Aggarwal	49,12,680	16.60	19,83,180	6.70
Nikunj Aggarwal	46,87,500	15.84	46,87,500	15.84
Sanskar Aggarwal	43,52,700	14.71	43,52,700	14.71
Hari Chand Aggarwal	36,26,100	12.25	13,85,100	4.68
Pushpa Aggarwal	32,27,850	10.91	32,27,850	10.91
Rajesh Aggarwal (HUF)	-	-	29,29,500	9.90
HDFC Small Cap Fund	26,01,000	8.79	26,01,000	8.79
Hari Chand Aggarwal (HUF)	-	-	22,41,000	7.57

### Details of shares held by promoters\*

As at March 31, 2024

Particulars	Promoter Name	No. of Shares at the beginning of the year	Change during the year	No. of Shares at the end of the year	% of total Shares	% Change during the year**
Equity shares of INR 10 each fully paid	Nikunj Aggarwal	46,87,500	-	46,87,500	15.84%	0.00%
Equity shares of INR 10 each fully paid	Sanskar Aggarwal	43,52,700	-	43,52,700	14.71%	0.00%
Equity shares of INR 10 each fully paid	Pushpa Aggarwal	32,27,850	-	32,27,850	10.91%	0.00%
Equity shares of INR 10 each fully paid	Rajesh Aggarwal (HUF)	29,29,500	(29,29,500)	-	0.00%	-9.90%
Equity shares of INR 10 each fully paid	Hari Chand Aggarwal (HUF)	22,41,000	(22,41,000)	-	0.00%	-7.57%
Equity shares of INR 10 each fully paid	Rajesh Kumar Aggarwal	19,83,180	29,29,500	49,12,680	16.60%	9.90%
Equity shares of INR 10 each fully paid	Hari Chand Aggarwal	13,85,100	22,41,000	36,26,100	12.25%	7.57%
Equity shares of INR 10 each fully paid	Isec Organics Limited	3,81,825	-	3,81,825	1.29%	0.00%
Equity shares of INR 10 each fully paid	Kritika Aggarwal	1,68,750	-	1,68,750	0.57%	0.00%
<b>Total</b>		<b>2,13,57,405</b>	<b>-</b>	<b>2,13,57,405</b>	<b>72.16%</b>	<b>0.00%</b>

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

As at March 31, 2023

Particulars	Promoter Name	No. of Shares at the beginning of the year	Change during the year	No. of Shares at the end of the year	% of total Shares	% Change during the year**
Equity shares of INR 10 each fully paid	Nikunj Aggarwal	31,25,000	15,62,500	46,87,500	15.84%	0.00%
Equity shares of INR 10 each fully paid	Sanskar Aggarwal	29,01,800	14,50,900	43,52,700	14.71%	0.00%
Equity shares of INR 10 each fully paid	Pushpa Aggarwal	21,51,900	10,75,950	32,27,850	10.91%	0.00%
Equity shares of INR 10 each fully paid	Rajesh Aggarwal (HUF)	19,53,000	9,76,500	29,29,500	9.90%	0.00%
Equity shares of INR 10 each fully paid	Hari Chand Aggarwal (HUF)	14,94,000	7,47,000	22,41,000	7.57%	0.00%
Equity shares of INR 10 each fully paid	Rajesh Kumar Aggarwal	13,22,120	6,61,060	19,83,180	6.70%	0.00%
Equity shares of INR 10 each fully paid	Hari Chand Aggarwal	9,23,400	4,61,700	13,85,100	4.68%	0.00%
Equity shares of INR 10 each fully paid	Isec Organics Limited	2,54,550	1,27,275	3,81,825	1.29%	0.00%
Equity shares of INR 10 each fully paid	Kritika Aggarwal	1,12,500	56,250	1,68,750	0.57%	0.00%
<b>Total</b>		<b>1,42,38,270</b>	<b>71,19,135</b>	<b>2,13,57,405</b>	<b>72.16%</b>	<b>0.00%</b>

\* Promoter here means promoter as defined in the Companies Act, 2013.

\*\* Percentage change shall be computed with respect to the percentage of shareholding at the end and beginning of the year.

### 14 Other equity

#### a) Reserves and surplus

Particulars	As at March 31, 2024	As at March 31, 2023
Retained earnings	90,937.63	81,565.66
Securities premium	3,597.79	3,597.79
General reserve	3,107.93	3,107.93
Capital redemption reserve	93.59	93.59
<b>Total reserves and surplus</b>	<b>97,736.94</b>	<b>88,364.97</b>

Particulars	As at March 31, 2024	As at March 31, 2023
<b>(i) Retained earnings</b>		
Opening balance	81,565.66	76,803.50
Profit for the year	10,262.55	6,298.75
Items that will not be reclassified subsequently to profit or loss		
Remeasurements of the net defined benefit plans, net of tax	(2.65)	(56.70)
Final dividend paid during the year	-	(591.96)
Interim dividend paid during the year	(887.93)	(887.93)
<b>Closing balance</b>	<b>90,937.63</b>	<b>81,565.66</b>
<b>(ii) Securities premium</b>		
Opening balance	3,597.79	4,584.38
Issue of bonus shares	-	(986.59)
<b>Closing balance</b>	<b>3,597.79</b>	<b>3,597.79</b>

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>(iii) General reserve</b>		
Opening balance	3,107.93	3,107.93
Add: Appropriations	-	-
<b>Closing balance</b>	<b>3,107.93</b>	<b>3,107.93</b>
<b>(iv) Capital redemption reserve</b>		
Opening balance	93.59	93.59
Add: Appropriations	-	-
<b>Closing balance</b>	<b>93.59</b>	<b>93.59</b>
<b>Total reserves and surplus</b>	<b>97,736.94</b>	<b>88,364.97</b>

### b) Other reserves

Particulars	As at March 31, 2024	As at March 31, 2023
Equity instruments through other comprehensive income	413.70	244.12
<b>Total other reserves</b>	<b>413.70</b>	<b>244.12</b>

Particulars	As at March 31, 2024	As at March 31, 2023
<b>i) Equity instruments through other comprehensive income</b>		
Opening balance	244.12	158.62
Change in fair value of equity instruments, net of tax*	169.58	85.50
<b>Closing balance</b>	<b>413.70</b>	<b>244.12</b>
The disaggregation of changes in OCI by each type of reserves in equity is disclosed in Note 31		
<b>Total other equity (a+b)</b>	<b>98,150.64</b>	<b>88,609.09</b>

### Nature and purpose of reserves

- Retained earnings** - Retained earnings is used to represent the accumulated net earnings of the Company after accounting for dividends or other distributions to the investors of the Company as per the provisions of the Companies Act, 2013.
- Securities premium** - Where the Company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of the premium received on those shares shall be transferred to "Securities Premium". The Company may use this reserve for issuing fully paid-up bonus shares, buy-back of shares and for expenses in relation to issue of shares.
- General reserve** - General Reserve is created out of the profits earned by the Company by way of transfer from surplus in the statement of profit and loss. The Company can use this reserve for payment of dividend, issue of bonus shares and fully / partly paid-up equity shares. No amount has been transferred to general reserve during the years ended March 31, 2024 & March 31, 2023.
- Capital redemption reserve** - As per the Companies Act, 2013, capital redemption reserve is created when company purchases its own shares out of free reserves or securities premium. A sum equal to the nominal value of the shares so purchased is transferred to capital redemption reserve. The reserve is utilised in accordance with the provisions of section 69 of the Companies Act, 2013.
- Equity instruments through other comprehensive income** - The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVTOCI equity investments reserve within equity. The company transfers amounts from this reserve within equity when the relevant equity securities are derecognised.

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

### 15 Financial liabilities - Non Current

#### 15(a) Borrowings

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Secured</b>		
Indian rupee loan from banks		
FCNR Loans (USD)	3,442.12	-
Vehicle loans	562.53	410.36
<b>Total</b>	<b>4,004.65</b>	<b>410.36</b>
Less: Current maturities of non-current borrowings (included in note 18(a))	1,087.49	224.43
<b>Non-current borrowings</b>	<b>2,917.16</b>	<b>185.93</b>
Loan guaranteed by directors	562.53	410.36

#### Nature of security and terms of repayment for secured borrowing:

##### Vehicle loans

Term Loans from banks for vehicles have been secured by hypothecation of vehicles. Further, vehicles loans have been guaranteed by the personal guarantee of the directors- Mr. Hari Chand Aggarwal and Mr. Rajesh Kumar Aggarwal. These loans are repayable in 36 monthly instalments from the date of the loans along with interest rates ranging between 7.50% to 9.75% per annum.

##### FCNR Loans (USD)

As at March 31, 2024 outstanding balance for FCNR Loans (USD) is for INR 3,442.12 (including current maturities for INR 800.00). The loan is repayable in 20 equal quarterly instalments starting from July 19, 2023. The INR floating interest rate on loan is 3M T-Bill +1.8% payable monthly.

The loan is secured by first Pari Passu charge on entire movable fixed assets of the Borrower, both present and future except for those specifically charged to other lenders and Second Pari Passu charge on present and future current assets including stocks and book debts of borrower.

The carrying amounts of financial and non-financial assets pledged as security for current and non-current borrowings are disclosed in note 43.

#### 15(b) Lease liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Current	179.70	145.86
Non-current	231.35	216.89
<b>Total</b>	<b>411.05</b>	<b>362.75</b>

Set out below are the carrying amounts of lease liabilities and the movements during the period:

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Balance as at beginning of the year</b>	<b>362.75</b>	<b>455.67</b>
Accretion of interest	42.32	45.03
Addition in lease liability	230.61	211.20
Repayment of lease liability	(221.31)	(244.10)
Derecognition of lease liability	(3.32)	(105.05)
<b>Balance as at end of the year</b>	<b>411.05</b>	<b>362.75</b>

The maturity analysis of the lease liability is included in the refer note 35.

The effective interest rate for lease liabilities is 8.50 %, with maturity between 2023-2030

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

### 16(a) Non current provisions

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Employee benefit provisions</b>		
Provision for gratuity (refer note "b" below)	-	-
Provision for leave encashment	218.42	183.22
<b>Total</b>	<b>218.42</b>	<b>183.22</b>

### 16(b) Current provisions

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Employee benefit provisions</b>		
Provision for gratuity	383.18	223.04
Provision for leave encashment	28.03	25.33
<b>Total</b>	<b>411.21</b>	<b>248.37</b>

#### (a) Defined contribution plan

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
During the year, the company has recognised the following amounts in the Statement of Profit and Loss: (note 25)		
Employer's contribution to Employee's Provident Fund (including admin charges)	559.95	475.40
Employer's contribution to Employee's State Insurance	15.09	15.89
<b>Total</b>	<b>575.04</b>	<b>491.29</b>

#### (b) Defined benefit plan

##### (i) Gratuity

The company has a defined benefit for gratuity. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The company provides for the liability in its books of accounts based on the actuarial valuation by applying the Projected Unit Credit Method. The scheme is funded with an insurance company in the form of a qualifying insurance policy.

The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the respective plans.

**The principal assumptions used in determining gratuity benefit obligations for the company's plan are shown below**

Particulars	As at March 31, 2024	As at March 31, 2023
Rate of discounting	7.19%	7.39%
Rate of salary increase	8.00%	8.00%
Rate of employee turnover	(For Service 2 years and below-27%); (For Service 3 years to 4 years - 15%); (For Service 5 years and above-8%)	(For Service 2 years and below-27%); (For Service 3 years to 4 years - 15%); (For Service 5 years and above-8%)
Mortality rate during employment	IALM (2012-14)	IALM (2012-14)

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

### Changes in the present value of the defined benefit obligation are as follows:

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Opening defined benefit obligation	1,723.74	1,509.20
Interest cost	124.81	102.97
Current service cost	149.12	137.69
Past service cost	-	-
Benefits paid	(81.98)	(57.28)
Actuarial (gain) / loss	-	-
Due to change in Demographic assumptions	-	-
Due to change in financial assumptions	23.47	(51.34)
Due to change in experience	64.43	82.50
<b>Closing defined benefit obligation</b>	<b>2,003.59</b>	<b>1,723.74</b>

### Changes in the Fair Value of Plan Assets are as follows:

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Fair value of plan assets at the beginning of the year	1,500.70	1,355.71
Interest income	108.33	92.38
Contributions by the employer	9.00	154.49
Benefits paid	(81.98)	(57.28)
Return on plan assets, excluding interest income	84.36	(44.60)
<b>Fair Value of Plan Assets at the End of the Period</b>	<b>1,620.41</b>	<b>1,500.70</b>

### Reconciliation of fair value of plan assets and defined benefit obligation:

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Present value of defined benefit obligation	(2,003.59)	1500.70
Fair value of plan assets	1,620.41	92.38
<b>Plan asset / (liability)</b>	<b>(383.18)</b>	<b>(233.04)</b>

### Expenses recognised in profit and loss

Particulars	Year ended	Year ended
	March 31, 2024	March 31, 2023
Net interest cost	16.48	10.59
Current service cost	149.12	137.69
Past service cost	-	-
<b>Net expense *</b>	<b>165.60</b>	<b>148.28</b>

### Expenses recognised in other comprehensive income

Particulars	Year ended	Year ended
	March 31, 2024	March 31, 2023
Actuarial (gain) / loss on defined benefit obligation	87.90	31.16
Return on Plan Assets, excluding Interest Income	(84.36)	44.60
<b>Total expense recognised in statement of other comprehensive income</b>	<b>3.54</b>	<b>75.76</b>

### Major categories of plan assets of the fair value of the total plan assets

Particulars	As at March 31, 2024		As at March 31, 2023	
	Total	In %	Total	In %
Insurance fund	1,613.41	99.57%	1,500.70	100.00%
Cash and Cash Equivalents	7.00	0.43%	-	0.00%
<b>Total</b>	<b>1,620.41</b>	<b>100.00%</b>	<b>1,500.70</b>	<b>100.00%</b>

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

### A quantitative sensitivity analysis for significant assumption is as shown below:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Defined benefit obligation (base)	2,003.59	1,723.74
Change in discount rate		
Increase by 1%	(111.76)	(95.51)
Decrease by 1%	126.75	108.33
Change in rate of salary increase		
Increase by 1%	115.48	99.83
Decrease by 1%	(106.10)	(92.16)
Change in rate of employee turnover		
Increase by 1%	(8.45)	(5.95)
Decrease by 1%	9.03	6.33

### The following payments are expected contributions to the defined benefit plan in future years:

Particulars	As at March 31, 2024	As at March 31, 2023
Weighted average duration of the defined benefit plan obligation	11 years	11 years
Within next 12 months	377.94	339.60
Between 1 and 5 years	716.05	600.13
Between 5 and 10 years	875.79	731.40
More than 10 years	1,516.72	1,379.49

### (c) Risk exposure

**Interest rate risk:** A fall in the discount rate which is linked to the Government Security 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.

**Asset Liability Matching Risk:** The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

**Mortality risk:** Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

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

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

### 17 Deferred tax liabilities (Net)

Current reporting period:

Particulars	As at April 1, 2023	(Charge)/ Credit to Statement of Profit and Loss	(Charge) /Credit to Other Comprehensive Income	MAT Credit Utilised	As at March 31, 2024
<b>Deferred tax liabilities</b>					
Property, plant and equipment and intangible assets	1,675.45	40.17	-	-	1,715.62
Derivatives	10.89	(5.70)	-	-	5.19
Right-of-use asset	79.75	4.99	-	-	84.74
Investments	74.15	-	51.50	-	125.65
<b>Total deferred tax liabilities</b>	<b>1,840.24</b>	<b>39.46</b>	<b>51.50</b>	<b>-</b>	<b>1,931.20</b>
<b>Deferred tax assets</b>					
Allowance for expected credit losses	(374.16)	(68.51)	-	-	(442.67)
Derivatives	(1.83)	(0.25)	-	-	(2.08)
Borrowings	-	(10.60)	-	-	(10.60)
Lease liabilities	(90.38)	(9.54)	-	-	(99.92)
Employee benefit provisions	(108.63)	(48.95)	(0.89)	-	(158.47)
Expense allowed on payment/actual basis	-	(201.34)	-	-	(201.35)
<b>Total deferred tax assets</b>	<b>(575.00)</b>	<b>(339.19)</b>	<b>(0.89)</b>	<b>-</b>	<b>(915.09)</b>
<b>Net deferred tax liabilities</b>	<b>1,265.24</b>	<b>(299.73)</b>	<b>50.61</b>	<b>-</b>	<b>1,016.11</b>

Previous reporting period:

Particulars	As at April 1, 2022	(Charge)/ Credit to Statement of Profit and Loss	(Charge) /Credit to Other Comprehensive Income	MAT Credit Utilised	As at March 31, 2023
<b>Deferred tax liabilities</b>					
Property, plant and equipment and intangible assets	1,673.25	2.20	-	-	1,675.45
Derivatives	21.16	(10.27)	-	-	10.89
Right-of-use asset	100.62	(20.87)	-	-	79.75
Investments	48.18	-	25.97	-	74.15
<b>Total deferred tax liabilities</b>	<b>1,843.21</b>	<b>(28.94)</b>	<b>25.97</b>	<b>-</b>	<b>1,840.24</b>
<b>Deferred tax assets</b>					
Allowance for expected credit losses	(367.79)	(6.37)	-	-	(374.16)
Derivatives	-	(1.83)	-	-	(1.83)
Lease liabilities	111.18	20.80	-	-	(90.38)
Employee benefit provisions	(563.98)	8.05	(19.07)	-	(108.63)
<b>Total deferred tax assets</b>	<b>(575.00)</b>	<b>(339.19)</b>	<b>(0.89)</b>	<b>-</b>	<b>(915.09)</b>
<b>Net deferred tax liabilities</b>	<b>1,265.24</b>	<b>(299.73)</b>	<b>50.61</b>	<b>-</b>	<b>1,016.11</b>

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.



## Notes to Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

Reconciliation of deferred tax assets (net):	As at March 31, 2024	As at March 31, 2023
<b>Opening balance</b>	<b>1,265.24</b>	<b>1,279.23</b>
Tax income/(expense) during the period recognised in profit or loss	(299.73)	(20.89)
Tax income/(expense) during the period recognised in OCI	50.61	6.90
<b>Closing balance</b>	<b>1,016.11</b>	<b>1,265.24</b>

### 18 Financial Liabilities - Current

#### 18(a) Borrowings

Particulars	Maturity date	Interest rate	As at March 31, 2024	As at March 31, 2023
<b>Secured</b>				
<b>Working Capital facilities from Banks</b>				
Loans repayable on demand				
Working capital demand loans	Apr-24	7.90% - 8.26%	3,900.00	12,216.38
Cash credit from banks	On demand	10.95%	415.24	3,280.22
Current maturities of non-current borrowings (refer note 15(a))			1,087.49	224.43
<b>Total</b>			<b>5,402.73</b>	<b>15,721.03</b>

Working Capital Loans (Loans repayable on demand & Cash Credit) from banks are secured by first pari passu charge over entire current assets, present & future and entire movable fixed assets, present & future except for those specifically charged to other lender. These loans are additionally secured by equitable mortgage on pari passu basis over Factory Land & Building and Plant & Machinery at E-442, E-443 and E-444 at RIICO Industrial Area, Chopanki and negative lien on company's office at Azadpur (Delhi). Second pari passu charge on all movable fixed assets located at CH-21, GIDC Industrial Estate, Dahej, Dist. Bharuch (Gujarat) and negative lien on the land and building located at CH-21, GIDC Industrial Estate, Dahej, Dist. Bharuch (Gujarat). Further, these loans have been personally guaranteed by Mr. Hari Chand Aggarwal and Mr. Rajesh Kumar Aggarwal, directors of the company.

The carrying amounts of financial and non-financial assets pledged as security for current and non-current borrowings are disclosed in note 43.

#### 18(b) Trade payables

Particulars	As at March 31, 2024	As at March 31, 2023
Trade payables		
- related parties (refer note 38)	763.93	901.48
- others	41,084.66	43,924.56
<b>Total</b>	<b>41,848.59</b>	<b>44,826.04</b>

Particulars	As at March 31, 2024	As at March 31, 2023
(A) total outstanding due of micro enterprises and small enterprises	1,724.30	2,705.98
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	40,124.29	42,120.06
<b>Total</b>	<b>41,848.59</b>	<b>44,826.04</b>

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

### As at March 31, 2024

Particulars	Unbilled	Not due	Outstanding for following periods from date of transaction				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed outstanding dues of micro enterprises and small enterprises	-	-	1,724.30	-	-	-	1,724.30
(ii) Undisputed outstanding dues of creditors other than micro enterprises and small enterprises	-	-	40,119.94	3.32	0.73	0.30	40,124.29
(iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
(iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-

### As at March 31, 2023

Particulars	Unbilled	Not due	Outstanding for following periods from date of transaction				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed outstanding dues of micro enterprises and small enterprises	-	-	2,705.98	-	-	-	2,705.98
(ii) Undisputed outstanding dues of creditors other than micro enterprises and small enterprises	-	-	42,082.63	37.43	-	-	42,120.06
(iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
(iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-

There are no unbilled trade payables, hence the same is not disclosed in the ageing schedule.

Trade payables are non-interest bearing and are settled on agreed terms.

Refer note 45 for disclosure pertaining to Micro, Small & Medium Enterprises Development Act, 2006.

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

### 18(c) Other financial liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Financial liabilities at amortised cost</b>		
Security deposits received from customers	911.88	803.16
Creditors for capital expenditure	393.52	643.51
Interest accrued on borrowings	22.01	29.93
Employee payables		
- related parties (refer note 38)	44.80	37.92
- others	1,979.62	1,620.80
Unpaid dividend account	5.45	5.23
Investment Payable		
- related parties (refer note 38)	10.59	-
<b>Financial liabilities at fair value through profit and loss</b>		
Derivative liabilities	8.26	7.26
<b>Total</b>	<b>3,376.13</b>	<b>3,147.81</b>

### 19 Other current Liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Advances from customers (refer note 46)	13,608.21	11,455.69
Statutory dues	655.66	403.29
<b>Total</b>	<b>14,263.87</b>	<b>11,858.98</b>

### 20 Current tax liabilities (Net)

Particulars	As at March 31, 2024	As at March 31, 2023
Income tax payable	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

### 21 Revenue from operations

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
<b>Sale of products</b>		
Finished goods	1,75,717.91	1,64,501.62
Traded goods	19,920.48	15,228.56
<b>SUB TOTAL(I)</b>	<b>1,95,638.39</b>	<b>1,79,730.18</b>

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
<b>Other operating revenue</b>		
Sale of scrap & others	89.67	80.24
Government grants *	910.49	322.43
<b>SUB TOTAL(II)</b>	<b>1000.16</b>	<b>402.67</b>
<b>TOTAL REVENUE FROM OPERATIONS (I+II)</b>	<b>1,96,638.55</b>	<b>1,80,132.85</b>

\* Includes GST Refund under Budgetary Support Scheme. As per the Scheme eligible units (Samba and Udhampur in Jammu & Kashmir) are entitled to receive refund of the Goods and Services Tax paid by the unit.

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

### a) Disaggregated revenue information

The table below presents disaggregated revenues from contracts with customers by geography. The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of the revenues and cash flows are affected by industry, market and other economic factors.

#### Revenues by Geography

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Within India	1,85,615.48	1,70,338.78
Outside India	10,022.91	9,391.40
<b>Total</b>	<b>1,95,638.39</b>	<b>1,79,730.18</b>

#### Timing of revenue recognition

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
<b>At a point in time</b>		
Sale of finished goods	1,75,717.91	1,64,501.62
Sale of traded goods	19,920.48	15,228.56
<b>Total</b>	<b>1,95,638.39</b>	<b>1,79,730.18</b>

### b) Reconciling the amount of revenue recognized in the statement of profit and loss with the contracted price:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Revenue as per contract	2,18,525.69	1,98,133.36
Adjustments for variable consideration:		
Discounts and rebates	(22,887.30)	(18,403.18)
<b>Revenue from contracts with customers</b>	<b>1,95,638.39</b>	<b>1,79,730.18</b>

### c) Aggregate amount of the transaction price allocated to performance obligations that are unsatisfied at end of the year:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Advance from customers* (refer note 46)	13,608.21	11,455.69
Revenue recognised from amounts included in advance from customers at beginning of the year	11,455.69	9,704.23

Advance from customers relates to payments received in advance of performance under the contract. Advances from customers are recognized as revenue as (or when) the Company performs under the contract.

\*For March 31, 2024, management expects that the entire transaction price allocated to the unsatisfied contracts at end of the year will be recognised as revenue during the next year.

## 22 Other Income

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
<b>Interest income</b>		
Fixed deposits with banks	49.02	8.30
Other assets	3.83	3.53
Dividend income from equity investments designated at fair value through other comprehensive income*	22.05	20.31

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Net gain on lease modification	0.27	13.34
Miscellaneous income	89.33	80.91
Interest on income tax refund	181.98	-
Liabilities written back	33.50	-
Profit on sale/disposal of property, plant and equipment (net)	173.23	-
Exchange difference (net)	397.46	-
<b>Total other income</b>	<b>950.67</b>	<b>126.39</b>

\* All dividends from equity investments designated at FVTOCI relate to investments held at the end of the reporting period, and as these investments are not held for trade.

### 23 Cost of raw material and components consumed

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
<b>Raw Material</b>		
Inventory at the beginning of the year	35,560.59	25,405.02
Add: Purchases	1,12,368.73	1,39,034.03
	<b>1,47,929.32</b>	<b>1,64,439.05</b>
Less: inventory at the end of the year	27,627.28	35,560.59
<b>Cost of raw material consumed</b>	<b>1,20,302.04</b>	<b>1,28,878.46</b>
<b>Packing Material</b>		
Inventory at the beginning of the year	2,157.30	1,713.55
Add: Purchases	12,643.77	11,511.81
	<b>14,801.07</b>	<b>13,225.36</b>
Less: inventory at the end of the year	1,883.80	2,157.30
<b>Cost of packing material consumed</b>	<b>12,917.27</b>	<b>11,068.06</b>
<b>Total Cost of raw material and components consumed</b>	<b>1,33,219.31</b>	<b>1,39,946.52</b>

### 24 (Increase)/Decrease in inventories

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
<b>Inventories at the end of the year</b>		
Finished goods	39,734.07	37,821.26
Semi-finished goods	9,642.21	8,797.17
Traded goods	1,556.67	1,712.16
	<b>50,932.95</b>	<b>48,330.59</b>
<b>Inventories at the beginning of the year</b>		
Finished goods	37,821.26	27,955.12
Semi-finished goods	8,797.17	6,037.81
Traded goods	1,712.16	1,740.89
	<b>48,330.59</b>	<b>35,733.82</b>
<b>Total (Increase)/Decrease in inventories</b>	<b>(2,602.36)</b>	<b>(12,596.77)</b>

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

Details of inventory	Year ended March 31, 2024	Year ended March 31, 2023
<b>Traded goods</b>		
Liquid	1,217.21	1,269.63
Powder	151.81	274.06
Granules	187.65	168.47
<b>Total</b>	<b>1,556.67</b>	<b>1,712.16</b>
<b>Finished goods</b>		
Liquid	22,204.67	20,304.89
Powder	5,181.52	3,964.39
Granules	4,052.81	5,522.93
Technicals	8,295.07	8,029.05
<b>Total</b>	<b>39,734.07</b>	<b>37,821.26</b>

### 25 Employee benefit expenses

Particulars	Note	Year ended March 31, 2024	Year ended March 31, 2023
Salaries, wages and bonus		10,472.91	8,694.63
Contribution to provident and other funds	16(b)	575.15	510.36
Gratuity expense	16(b)	160.20	139.97
Staff welfare expenses		513.87	493.09
<b>Total employee benefit expenses</b>		<b>11,722.13</b>	<b>9,838.05</b>

### 26 Finance costs

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest and finance charges on financial liabilities not at fair value through profit or loss		
Interest on term loans and ECBs	356.47	35.21
Interest on CC Limits, buyer's credit and demand loans	468.72	1,004.89
Interest on Lease Liabilities	42.32	45.03
Interest (Others)	52.32	43.20
Other borrowings costs		
Bank charges	168.52	216.77
<b>Total finance costs</b>	<b>1,088.35</b>	<b>1,345.10</b>

### 27 Depreciation and amortization expense

Particulars	Note	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation of tangible assets	3(a)	2574.28	2,290.02
Depreciation of investment property	3(c)	0.10	-
Depreciation of right-of-use assets	4	234.96	218.05
Amortization of intangible assets	5(a)	115.51	102.11
<b>Total depreciation and amortization expense</b>		<b>2,924.85</b>	<b>2,610.18</b>

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

### 28 Other expenses

Particulars	Note	Year ended March 31, 2024	Year ended March 31, 2023
Consumption of stores and spares		1,401.02	1,230.08
Power and fuel expenses		4,424.99	3,540.26
Transport charges		4,506.57	3,967.91
Field promotion		2,246.78	1,944.25
Repairs and maintenance			
Buildings		29.25	13.75
Plant & machinery		423.09	268.13
Others		692.66	487.60
Pollution control expenses		358.05	260.23
Advertising and sales promotion		901.31	942.26
Commission		774.23	682.05
Travelling and conveyance		2,276.77	1,812.19
Rent	41	54.96	35.49
Insurance		439.05	323.05
Communication expenses		40.50	36.15
Printing and stationery		34.22	32.31
Legal and professional fees		899.97	642.32
Director sitting fees	38	19.10	14.70
Payment to auditors	28(a)	58.35	52.83
Electricity & water charges		64.97	67.28
Rates and taxes		88.14	61.29
Security charges		156.46	129.76
Research & development Expenses	29	881.46	869.12
Loss on sale/disposal of property, plant and equipment (net)		-	6.65
Corporate social responsibility expenses	28(b)	246.00	271.91
Allowance for expected credit losses	35	272.20	25.34
Net losses on fair value changes			
Derivatives at FVTPL		23.64	48.08
Exchange difference (net)		-	1,059.80
Bad debts written off		22.76	26.71
Export sales expenses		319.48	232.42
Miscellaneous expenses		437.31	459.05
<b>Total other expenses</b>		<b>22,093.29</b>	<b>19,542.97</b>

### 28(a) Details of payment to auditors (excluding taxes)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
<b>As auditor</b>		
Statutory Audit Fees	53.48	48.42
<b>In other capacity</b>		
Reimbursement of expenses	4.87	4.41
<b>Total</b>	<b>58.35</b>	<b>52.83</b>

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

### 28(b) Corporate social responsibility

As per Section 135 of the Companies Act, 2013, a CSR committee has been formed by the company. The Company's policy covers current as well as proposed CSR activities to be undertaken by the company and examining their alignment with Schedule VII of the Act.

The company proposes to implement its CSR activities in various sectors which include promoting Education, green initiatives, and facilities for senior citizens, vocational & entrepreneurship skills, medical aid & healthcare, old age homes & women hostels, art and culture, destitute care and rehabilitation, rural development projects and others.

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
1 CSR amount required to be spent as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof by the Company	245.95	267.00
2 Amount spent during the year on:		
(i) Construction/acquisition of an asset		
- in cash	-	-
- yet to be paid in cash	-	-
(ii) On purpose other than (i) above		
- in cash	246.00	271.91
- yet to be paid in cash	-	-
<b>Total amount spent for the financial year</b>	<b>246.00</b>	<b>271.91</b>
3 Shortfall at the end of the year	-	-
4 Total of previous years shortfall	-	-
5 Reason for the shortfall	Not Applicable	Not Applicable
6 Nature of CSR activities	Environmental Sustainability, Promoting Education and Health care	

Note: The entire amount is spent through the IIL foundation which is a related party (refer note 38).

### 29 Research & Development Expenditure (as certified by the management)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
<b>Chopanki:</b>		
(i) Revenue expenditure :		
(a) Employee cost	180.73	201.62
(b) Cost of material & testing charges	39.77	24.23
(c) Other R&D expenditure	16.80	19.49
(d) Consultancy charges to OAT & IIL	360.23	366.33
(ii) Capital expenditure	134.25	25.87
<b>Chopanki Total</b>	<b>731.78</b>	<b>637.54</b>
<b>Shamli:</b>		
(i) Revenue expenditure :		
(a) Employee cost	100.59	118.48
(b) Cost of material & testing charges	3.33	1.98
(c) Other R&D expenditure	2.43	4.43
(ii) Capital expenditure	0.44	0.85
<b>Shamli Total</b>	<b>106.79</b>	<b>125.74</b>
<b>Dahej:</b>		
(i) Revenue expenditure :		
(a) Employee cost	100.18	87.02
(b) Cost of material & testing charges	43.31	30.41
(c) Other R&D expenditure	34.09	15.13
(ii) Capital expenditure	6.65	0.16
<b>Dahej Total</b>	<b>184.23</b>	<b>132.72</b>
<b>Total</b>	<b>1,022.80</b>	<b>896.00</b>



## Notes to Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

### 30 Income tax expense

This note provides an analysis of the Company's income tax expense, shows how the tax expense is affected by non-assessable and non-deductible items.

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
<b>(a) Income tax expense</b>		
Current tax		
Current tax on profits for the year	3,429.06	2,123.47
Adjustment of tax relating to earlier periods	(133.89)	(40.62)
<b>Total current tax expense</b>	<b>3,295.17</b>	<b>2,082.85</b>
Deferred tax		
(Decrease) /increase in deferred tax liabilities	39.46	(28.94)
Decrease/ (increase) in deferred tax assets	(339.19)	8.05
<b>Total deferred tax expense/(benefit)</b>	<b>(299.73)</b>	<b>(20.89)</b>
<b>Income tax expense</b>	<b>2,995.44</b>	<b>2,061.96</b>

#### (b) Reconciliation of tax expense and the accounting profit multiplied by the Indian statutory income tax rate.

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
<b>Profit before income tax expense</b>	13,257.99	8,360.71
Tax at the Indian statutory income tax rate of 25.168% (March 31, 2023: 25.168%)*	3,336.77	2,104.22
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Weighted deduction on research and development expenditure	-	-
Deduction on account of tax holiday period	-	-
Other non-deductible / (taxable) items	(207.44)	(1.64)
Effect of difference in tax rates used to calculate deferred tax on temporary differences*	-	-
Adjustments for current tax of earlier periods	(133.89)	(40.62)
<b>Income tax expense</b>	<b>2,995.44</b>	<b>2,061.96</b>

\* The Company has exercised the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the tax rate used for the current year reconciliation above are the corporate tax rates of 25.168% (March 31, 2023: 25.168%) payable by corporate entities in India on taxable profits under the Indian tax laws. The reconciliation also includes the impact of tax holidays availed by the Company under the old regime.

### 31 Components of Other Comprehensive Income (OCI)

The disaggregation of changes to OCI by each type of reserve in equity is shown below:

#### During the year ended March 31, 2024

Particulars	Equity instruments through other comprehensive income	Retained earnings	Total
Re-measurement of net defined benefit plans	-	(2.64)	(2.64)
Gain/(loss) on FVTOCI financial assets	169.58	-	169.58
<b>Total</b>	<b>169.58</b>	<b>(2.64)</b>	<b>166.94</b>

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

### During the year ended March 31, 2023

Particulars	Equity instruments through other comprehensive income	Retained earnings	Total
Re-measurement of net defined benefit plans	-	(56.70)	(56.70)
Gain/(loss) on FVTOCI financial assets	85.50	-	85.50
<b>Total</b>	<b>85.50</b>	<b>(56.70)</b>	<b>28.80</b>

### 32 Significant estimates, judgements and assumptions

The preparation of the Company's financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

#### Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the separate financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

#### Contingent liabilities

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events.

#### Taxes

There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. Where the final tax outcome of these matters is different from the amounts initially recorded, such differences will impact the current and deferred tax provisions in the period in which the tax determination is made. The assessment of probability involves estimation of a number of factors including future taxable income.

#### Impairment of financial assets

The Company assesses impairment based on expected credit losses (ECL) model on trade receivables.

The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

#### Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risk specific to the asset. In determining fair value less cost of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other available fair value indicators.

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

### Defined benefit plans (gratuity)

The cost of the defined benefit gratuity plan and other post-employment benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in India.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates in India. Further details about gratuity obligations are given in Note 16(b).

### Fair value of financial instruments

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Company uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period.

### Determining the lease term of contracts with renewal and termination options – Company as lessee

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

### Property lease classification – Company as lessor

The Company has entered into commercial property leases on its investment property portfolio. The Company has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the present value of the minimum lease payments not amounting to substantially all of the fair value of the commercial property, that it retains substantially all the risks and rewards incidental to ownership of these properties and accounts for the contracts as operating leases.

### Leases - Estimating the incremental borrowing rate

Where the Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

### Revenue recognition - Estimating variable consideration for returns and volume rebates

The Company's contracts with customers include promises to transfer goods to the customers. Judgement is required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as rebates, incentives and cash discounts etc. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period.

The amount of revenue recognised depends on whether the Company act as an agent or as a principal in an arrangement with a customer. The Company act as a principal if the Company controls a promised goods or service before the Company transfers the goods or service to a customer and act as an agent if the Company's performance obligation is to arrange for the provision of goods or service by another party.

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

### 33 Hedging activities and derivatives

#### Derivatives not designated as hedging instruments

The Company uses full currency cum interest rate swap and foreign exchange forward contracts and option contracts to manage some of its transaction exposures. The foreign exchange forward contracts are not designated as cash flow hedges and are measured at fair value through profit or loss. These contracts are entered into for period consistent with the foreign currency exposures of the underlying transactions and with the intention to reduce the foreign exchange risk of expected purchases and sales.

Nature of instrument	As at March 31, 2024		As at March 31, 2023	
	Amount outstanding FCY	Amount outstanding INR	Amount outstanding FCY	Amount outstanding INR
<b>Hedged foreign currency exposures</b>				
Forward contract - Buy				
In respect of foreign letters of credit (USD)	49.65	4,125.88	81.30	6,696.30
In respect of import bills accepted (USD)	5.28	438.88	3.19	261.37
In respect of FCNR - Citi Bank Term Loan (USD)	41.42	3,442.12	-	-
	<b>96.35</b>	<b>8,006.88</b>	<b>84.49</b>	<b>6,957.67</b>
Forward contract - Sell				
In respect of trade receivables (USD)	27.61	2,312.56	65.98	5,509.42
	<b>27.61</b>	<b>2,312.56</b>	<b>65.98</b>	<b>5,509.42</b>
<b>Unhedged foreign currency exposures</b>				
<b>a) Payables</b>				
Letters of credit (USD)	259.10	21,611.74	274.31	22,542.90
Import bills accepted (Trade payables) (USD)	2.11	176.16	-	-
Investment Payable (AED)	0.48	10.60	-	-
	<b>261.69</b>	<b>21,798.50</b>	<b>274.31</b>	<b>22,542.90</b>
<b>b) Receivables</b>				
Trade receivables (USD)	35.44	2,956.07	-	-
	<b>35.44</b>	<b>2,956.07</b>	<b>-</b>	<b>-</b>

### 34 Fair value measurements

#### (i) Financial instruments by Category

Particulars	Note	As at March 31, 2024			As at March 31, 2023		
		FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
<b>a) Financial assets - Non-current</b>							
Investments							
- Equity instruments	7(a)	-	852.89	-	-	631.80	-
Security deposits	7(b)	-	-	205.78	-	-	168.52
Deposit accounts with banks having remaining maturity more than twelve months	7(b)	-	-	135.17	-	-	37.04
On deposit accounts with remaining maturity more than twelve months	7(b)	-	-	-	-	-	-

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

Particulars	Note	As at March 31, 2024			As at March 31, 2023		
		FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
<b>b) Financial assets - Current</b>							
Trade receivables	11(a)	-	-	29,666.82	-	-	29,624.44
Cash and cash equivalents	11(b)	-	-	6,105.27	-	-	1,838.31
Other bank balances	11(c)	-	-	15.83	-	-	106.59
Loans	11(d)	-	-	14.39	-	-	19.23
Derivative assets	11(e)	20.62	-	-	43.27	-	-
Dividend receivable	11(e)	-	-	18.68	-	-	17.20
Insurance claim recoverable	11(e)	-	-	179.36	-	-	-
Litigation charges recoverable	11(e)	-	-	19.60	-	-	19.60
Export incentive recoverable	11(e)	-	-	9.51	-	-	9.33
<b>Total financial assets</b>		<b>20.62</b>	<b>852.89</b>	<b>36,370.84</b>	<b>43.27</b>	<b>631.80</b>	<b>31,840.26</b>
<b>c) Financial liabilities - Non- current</b>							
Borrowings	15(a)	-	-	2,917.16	-	-	185.93
<b>d) Financial liabilities - Current</b>							
Borrowings	18(a)	-	-	4,315.24	-	-	15,496.60
Trade payables	18(b)	-	-	41,848.59	-	-	44,826.04
Current maturities of long-term borrowings	18(a)	-	-	1,087.49	-	-	224.43
Security deposits received from customers	18(c)	-	-	911.88	-	-	803.16
Creditors for capital expenditure	18(c)	-	-	393.52	-	-	643.51
Interest accrued on borrowings	18(c)	-	-	22.01	-	-	29.93
Employee payables	18(c)	-	-	2,024.42	-	-	1,658.72
Unpaid dividend account	18(c)	-	-	5.45	-	-	5.23
Investment Payable	18(c)	-	-	10.59	-	-	-
Derivative liabilities	18(c)	8.26	-	-	7.26	-	-
<b>Total financial liabilities</b>		<b>8.26</b>	<b>-</b>	<b>53,536.35</b>	<b>7.26</b>	<b>-</b>	<b>63,873.55</b>

### (ii) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are :-

- recognised and measured at fair value and
- 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.

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

### Financial assets and liabilities measured at fair value - recurring fair value measurements as heading above table

Particulars	As at March 31, 2024			As at March 31, 2023		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Financial assets</b>						
Financial assets at FVTOCI						
- Quoted equity investments*	852.89	-	-	631.80	-	-
Financial assets at FVTPL						
- Derivative assets	-	20.62	-	-	43.27	-
<b>Financial liabilities</b>						
Financial liabilities at FVTPL						
- Derivative liabilities	-	8.26	-	-	7.26	-

\* The investments in equity instruments are not held for trading. Instead, they are held for medium or long-term strategic purpose. Upon the application of Ind AS 109, the Company has chosen to designate these investments in equity instruments as at FVTOCI as the management believes that this provides a more meaningful presentation for medium or long-term strategic investments, than reflecting changes in fair value immediately in profit or loss.

There have been no transfers between Level 1 and Level 2 during the period.

Particulars	As at March 31, 2024			As at March 31, 2023		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Financial assets</b>						
Security deposits	-	-	205.78	-	-	168.52
Deposit accounts with banks having remaining maturity more than twelve months	-	-	34.17	-	-	37.04
On deposit accounts with remaining maturity more than twelve months	-	-	101.00	-	-	-
Interest accrued on fixed deposit with banks	-	-	0.43	-	-	-
<b>Financial liabilities</b>						
Long term borrowings (including current maturities)	-	-	4,004.65	-	-	410.36

There have been no transfers between Level 1 and Level 2 during the period.

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

**Level 2:** The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

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

### (iii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the fair values of the FVTOCI investments are derived from quoted market prices in active markets.
- the fair value of forward foreign exchange contracts and principal swap is determined using forward exchange rates at the balance sheet date.
- the fair values of the interest-bearing borrowings and loans are determined by using discounted cash flow method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk was assessed to be insignificant.
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis using rates currently available for debt on similar terms, credit risk and remaining maturities.

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

### (iv) Fair value of financial assets and liabilities measured at amortised cost

Particulars	Note	As at March 31, 2024		As at March 31, 2023	
		Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial assets</b>					
- Security deposits*	7(b)	205.78	205.78	168.52	168.52
- Deposit accounts with banks having remaining maturity more than twelve months*	7(b)	135.17	135.17	37.04	37.04
- On deposit accounts with remaining maturity more than twelve months	7(b)	-	-	-	-
- Interest accrued on fixed deposit with banks*	7(b)	0.43	0.43	-	-
<b>Financial liabilities</b>					
- Long term borrowings (including current maturities)	15(a)	4,004.65	4,004.65	410.36	410.36

\*The management assessed that fair values of above financial instruments is substantially equal to their carrying value due to amortised cost being calculated based on the effective interest rates, which approximates the market rates.

The carrying amounts of trade receivables, cash and bank balances, loans, other receivables, short term borrowings, security deposits received, trade payables, creditors for capital expenditure and other current financial assets and liabilities are considered to be the same as fair value due to their short term maturities.

### 35 Financial risk management

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables, security deposits, cash and cash equivalents and loans that derive directly from its operations. The Company also holds FVTOCI investments and enters into derivative transactions.

The Company is exposed to market risk, credit risk and liquidity risk that are summarised as under:-

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, derivative financial instruments, financial assets measured at amortised cost.	Ageing analysis	Diversification of bank deposits, credit limits
Liquidity risk	Borrowings and other liabilities	Cash flow forecasting	Availability of committed credit lines and borrowing facilities
Market risk - foreign exchange risk	Recognised financial assets and liabilities not denominated in Indian rupee (INR)	a) Cash flow forecasting b) Sensitivity analysis	a) Forward exchange contracts b) Foreign currency options c) Currency swaps
Market risk - interest rate risk	Long-term borrowings at variable rates	Sensitivity analysis	Interest rate swaps
Market risk - security prices	Investments in equity securities	Sensitivity analysis	Portfolio diversification

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

The Company has formulated the Risk Management Policy whose objective is to ensure sustainable business expansion with stability, and to promote an upbeat approach in risk management process by eliminating risk. In order to achieve this key objective, this policy provides a prepared and well-organized approach to manage the various types of risk associated with day to day business of the Company and minimize adverse impact on its business objectives as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

### A) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

#### (i) Credit risk management

##### a) Trade receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored. The Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical data and ageing of accounts receivable. Individual risk limits are set accordingly. New customers are analysed individually for creditworthiness before the Company's standard payment and delivery terms are offered. Sale limits are established for each customers and reviewed periodically.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. It considers available reasonable and supportive forward-looking information. Especially the following indicators are incorporated:

- Actual or expected significant adverse changes in business, financial or economic conditions that are actual
- Significant changes in the expected performance and behaviour of the customer, including changes in the payment status of customer in the company.

The maximum exposure to credit risk arising from trade receivables is provided in note 11(a)

##### b) Financial instruments and cash deposits

Credit risk from balances with banks is managed by the Company's management in accordance with the policy of the Company. Counterparty credit limits are reviewed by the Company's management on an annual basis. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2024 and March 31, 2023 is the carrying amounts as illustrated in Note 7 and 11 except for derivative financial instruments.

#### (ii) Provision for expected credit losses

Category	Description of category	Basis for recognition of expected credit loss provision		
		Loans to employees	Security deposits	Trade receivables
High quality assets, negligible credit risk	Assets where the counter-party has strong capacity to meet the obligations and where the risk of default is negligible or nil	12-month expected credit loss	12-month expected credit loss	Lifetime expected credit losses
Quality assets, low credit risk	Assets where there is low risk of default and where the counter-party has sufficient capacity to meet the obligations and where there has been low frequency of defaults in the past			



## Notes to Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

### Year ended March 31, 2024

(a) Expected credit loss for loans and security deposits

Particulars	Category	Description of category	Asset group	Gross carrying amount	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
Loss allowance measured at 12 month expected credit losses	High quality assets, negligible credit risk	Assets where the counter-party has strong capacity to meet the obligations and where the risk of default is negligible or nil	Loans to employees	14.39	0%	-	14.39
Loss allowance measured at 12 month expected credit losses	High quality assets, negligible credit risk	Assets where the counter-party has strong capacity to meet the obligations and where the risk of default is negligible or nil	Security deposits	205.78	0%	-	205.78

(b) Allowance for expected credit losses on trade receivables under simplified approach

Ageing	Not due	0-90 days past due	90-180 days past due	180-360 days past due	360-720 days past due	More than 720 days past due	Total
Gross carrying amount	17,350.30	6,114.35	4,736.74	1,342.68	486.12	1,395.53	31,425.72
Expected loss rate	0.10%	0.20%	0.50%	5.00%	50.00%	100.00%	
Expected credit losses (Loss allowance provision)	17.27	12.23	23.68	67.13	243.06	1,395.53	1,758.90
<b>Carrying amount of trade receivables (net of expected credit losses)</b>	<b>17,333.03</b>	<b>6,102.12</b>	<b>4,713.06</b>	<b>1,275.55</b>	<b>243.06</b>	<b>-</b>	<b>29,666.82</b>

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

### Year ended March 31, 2023

(a) Expected credit loss for loans and security deposits

Particulars	Category	Description of category	Asset group	Gross carrying amount	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
Loss allowance measured at 12 month expected credit losses	High quality assets, negligible credit risk	Assets where the counter-party has strong capacity to meet the obligations and where the risk of default is negligible or nil	Loans to employees	19.23	0%	-	19.23
Loss allowance measured at 12 month expected credit losses	High quality assets, negligible credit risk	Assets where the counter-party has strong capacity to meet the obligations and where the risk of default is negligible or nil	Security deposits	168.52	0%	-	168.52

(b) Allowance for expected credit losses on trade receivables under simplified approach

Ageing	Not due	0-90 days past due	90-180 days past due	180-360 days past due	360-720 days past due	More than 720 days past due	Total
Gross carrying amount	20,685.51	6,137.85	2,429.18	260.99	338.04	1,259.57	31,111.14
Expected loss rate	0.10%	0.20%	0.50%	5.00%	50.00%	100.00%	
Expected credit losses (Loss allowance provision)	20.63	12.28	12.15	13.05	169.02	1,259.57	1,486.70
<b>Carrying amount of trade receivables (net of expected credit losses)</b>	<b>20,664.88</b>	<b>6,125.57</b>	<b>2,417.03</b>	<b>247.94</b>	<b>169.02</b>	<b>-</b>	<b>29,624.44</b>

Reconciliation of expected credit losses

Particulars	Amount
<b>Loss allowance on March 31, 2022</b>	<b>1,461.36</b>
Changes in loss allowance	25.34
<b>Loss allowance on March 31, 2023</b>	<b>1,486.70</b>
Changes in loss allowance	272.20
<b>Loss allowance on March 31, 2024</b>	<b>1,758.90</b>

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

### B) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of the financial assets and liabilities.

The Company enjoys a good reputation for its sound financial management and ability to meet in financial commitments. CRISIL, a S&P Global Company, a reputed Rating Agency, has re-affirmed the credit rating of CRISIL A/Stable for the long term and CRISIL A1 for the Short-term Bank facilities.

#### (i) Financing arrangements

The Company had access to the following undrawn borrowing facilities subject to the reconciliation at the end of the reporting period:

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Floating rate</b>		
Short term borrowings	36,941.75	24,553.10

#### (ii) Maturities of financial liabilities

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

##### Contractual maturities of financial liabilities:-

As at March 31, 2024	Note	Within 1 year	Between 1 and 5 years	More than 5 years	Total
Long term borrowings (including current maturities)	15(a)	1,087.49	2,875.04	-	3,962.53
Lease liabilities	15(b)	208.16	249.77	5.31	463.24
Short term borrowings	18(a)	4,315.24	-	-	4,315.24
Trade payables	18(b)	41,848.59	-	-	41,848.59
Security deposits received from customers	18(c)	911.88	-	-	911.88
Creditors for capital expenditure	18(c)	393.52	-	-	393.52
Interest accrued on borrowings	18(c)	22.01	-	-	22.01
Employee payables	18(c)	2,024.42	-	-	2,024.42
Unpaid dividend account	18(c)	5.45	-	-	5.45
Investment Payable	18(c)	10.59	-	-	10.59
Derivative liabilities	18(c)	8.26	-	-	8.26
<b>Total</b>		<b>50,835.61</b>	<b>3,124.81</b>	<b>5.31</b>	<b>53,965.73</b>

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

As at March 31, 2023	Note	Within 1 year	Between 1 and 5 years	More than 5 years	Total
Long term borrowings (including current maturities)	15(a)	224.43	185.93	-	410.36
Lease liabilities	15(b)	179.36	236.64	9.45	425.45
Short term borrowings	18(a)	15,496.60	-	-	15,496.60
Trade payables	18(b)	44,826.04	-	-	44,826.04
Security deposits received from customers	18(c)	803.16	-	-	803.16
Creditors for capital expenditure	18(c)	643.51	-	-	643.51
Interest accrued on borrowings	18(c)	29.93	-	-	29.93
Employee payables	18(c)	1,658.72	-	-	1,658.72
Unpaid dividend account	18(c)	5.23	-	-	5.23
Derivative liabilities	18(c)	7.26	-	-	7.26
<b>Total</b>		<b>63,874.24</b>	<b>422.57</b>	<b>9.45</b>	<b>64,306.26</b>

### C) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTOCI investments and derivative financial instruments.

#### (i) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).

When a derivative is entered into for the purpose of being a hedge, the Company negotiates the terms of those derivatives to match the terms of the hedged exposure. The Company hedges its exposure to fluctuations on the foreign currency loan by using foreign currency swaps and forwards.

At March 31, 2024 and March 31, 2023 the Company's hedge position is stated in Note 33. This foreign currency risk is hedged by using foreign currency forward contracts and full currency interest rate swaps.

#### Sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD and JPY exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities.

Particulars	Impact on profit before tax	
	Year ended March 31, 2024	Year ended March 31, 2023
<b>USD sensitivity</b>		
INR/USD - increase by 1% (March 31, 2023: 1%)	(188.32)	(225.43)
INR/USD - decrease by 1% (March 31, 2023: 1%)	188.32	225.43

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

### JPY sensitivity [with respect to investment in equity shares of OAT Agrio Co. Ltd. (company listed on Tokyo Stock exchange)]

Particulars	impact on other comprehensive income	
	Year ended March 31, 2024	Year ended March 31, 2023
INR/JPY - increase by 5% (March 31, 2023: 5%)	42.64	31.59
INR/JPY - decrease by 5% (March 31, 2023: 5%)	(42.64)	(31.59)

#### (ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates. The Company's policy is to keep between 40% and 60% of its borrowings at fixed rates of interest, excluding borrowings that relate to discontinued operations. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings keeping in view of current market scenario. Company's fixed rate borrowings are not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates. As at March 31, 2024, the exposure to interest rate risk due to variable interest rate borrowings amounted to INR 3,442.12 lacs (March 31, 2023: Nil).

#### (a) Interest rate risk exposure

The exposure of the Company's borrowings to interest rate changes at the end of the reporting period are as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Fixed rate borrowings		
Long term borrowings (including current maturities)	562.53	410.36
Short term borrowings	4,315.24	15,496.60
Variable rate borrowings		
Long term borrowings (including current maturities)	3,442.12	-
<b>Total borrowings</b>	<b>8,319.89</b>	<b>15,906.96</b>

As at the end of the reporting period, the Company had the following long term variable rate borrowings (including current maturities) and interest rate swap contracts outstanding:

Particulars	As at March 31, 2024			As at March 31, 2023		
	Interest rates	Balance	% of total loans	Interest rates	Balance	% of total loans
Bank borrowings	3M T-Bill +1.8%	3,442.12	41.37%	-	-	0.00%
<b>Net exposure to cash flow interest rate risk</b>		<b>3,442.12</b>	<b>41.37%</b>		<b>-</b>	<b>0.00%</b>

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

### (b) Sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the impact of hedge accounting. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

USD sensitivity	Impact on profit before tax	
	Year ended March 31, 2024	Year ended March 31, 2023
INR/USD - increase by 1% (March 31, 2023: 1%)	34.42	-
INR/USD - decrease by 1% (March 31, 2023: 1%)	(34.42)	-

### (iii) Price risk

#### (a) Exposure

The Company's exposure to equity securities price risk arises from investments held by the Company in equity shares of OAT Agrio Co. Ltd. (Co-venturer of J.V.) and classified in the balance sheet as fair value through OCI (note 31).

#### (b) Sensitivity

The Company's investment in equity shares of OAT Agrio Co. Ltd. (Co-venturer of J.V.) is publicly traded in the Japanese stock exchange. With all other variables held constant, a 10% movement in the market value of the equity instrument will increase or decrease other comprehensive income by INR 85.29 lacs (March 31, 2023: INR 63.18 lacs)

## 36. Capital management

### (a) Risk management

Capital includes equity attributable to the equity holders to ensure that it maintains an efficient capital structure and healthy capital ratios in order to support its business and maximise shareholder value. The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions or its business requirements. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. For the purpose of the Company's capital management, net debt includes interest bearing loans and borrowings, less cash and cash equivalents. Capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders.

Particulars	As at March 31, 2024	As at March 31, 2023
Total debt	8,319.89	15,906.96
(Less): Cash and cash equivalents	(6,105.27)	(1,838.31)
<b>Net debt</b>	<b>2,214.62</b>	<b>14,068.65</b>
Total capital	1,01,110.42	91,568.87
<b>Capital and net debt</b>	<b>1,03,325.04</b>	<b>1,05,637.52</b>
<b>Gearing ratio</b>	<b>2.14%</b>	<b>13.32%</b>

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2024 & March 31, 2023.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

### (b) Dividends

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
<b>(i) Dividends paid on equity shares</b>		
Final dividend for the year ended March 31, 2023: Nil (March 31, 2022: INR 3) per share fully paid up	-	591.96
Interim dividend for the year ended March 31, 2024: INR 3 (March 31, 2023: INR 3) per share fully paid up	887.93	887.93
<b>(ii) Dividends on equity shares not recognised at the end of the reporting period</b>		
During the financial year 2023-24, the directors have recommended interim dividend as final dividend of INR 3 per equity share fully paid up	-	-

### 37 Segment information

The Company publishes the standalone financial statements of the Company along with the consolidated financial statements. In accordance with Ind AS 108, Operating Segments, the Company has disclosed the segment information in the consolidated financial statements.

### 38 Related party transactions

#### (i) Names of related parties and related party relationship:-

##### a) Individuals owning directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the Company and Key Management Personnel (KMP)

1. Sh. Hari Chand Aggarwal - Chairman
2. Sh. Rajesh Kumar Aggarwal - Managing Director
3. Smt. Nikunj Aggarwal - Whole-time Director
4. Sh. Anil Kumar Goyal - Whole-time Director

##### b) Key Management Personnel (KMP)

1. Sh. Sandeep Aggarwal - Chief Financial Officer
2. Sh. Sandeep Kumar - Company Secretary & CCO

##### c) Independent directors

1. Sh. Virjesh Kumar Gupta
2. Sh. Navin Shah
3. Sh. Jayaraman Swaminathan (ceased w.e.f. February 08, 2024)
4. Smt. Praveen Gupta
5. Sh. Anil Kumar Bhatia
6. Sh. Shyam Lal Bansal (appointed w.e.f. February 05, 2024)
7. Sh. Supratim Bandyopadhyay (appointed w.e.f. February 05, 2024)

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

**d) Relatives of KMPs**

1. Sh. Sanjeev Aggarwal
2. Smt. Sonia Aggarwal
3. Smt. Anju Aggarwal
4. Smt. Pushpa Aggarwal
5. Sh. Sanskar Aggarwal

**e) Subsidiary / Joint Venture / Trust**

1. OAT & IIL India Laboratories Private Limited - Joint Venture
2. IIL Biologicals Limited - Wholly owned subsidiary
3. IIL Foundation - CSR Trust
4. IIL Employees Gratuity Trust - Gratuity Trust
5. IL Overseas DMCC (Dubai) - Wholly owned subsidiary

**f) Enterprises over which key management personnel and their relatives have control / significant influence:**

1. ISEC Organics Limited
2. Vinod Metals Industries
3. Crystal Crop Protection Limited
4. HPM Chemicals and Fertilizers Limited
5. Indogulf Cropsciences Limited
6. Crop Care Federation of India
7. Kaeros Research Private Limited



## Notes to Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

### (ii) Transactions during the year with related parties:-

Particulars	Enterprises over which key management personnel and their relatives have control / significant influence		Subsidiary / Joint Venture / Trust		Individuals owning directly or indirectly, an interest in the Company that gives them significant influence over the Company and Key Management Personnel (KMP)		Key Management Personnel		Relatives of Key Management Personnel		Independent Directors	
	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023
<b>Advertisement expense</b>	-	0.18	-	-	-	-	-	-	-	-	-	-
Crop Care Federation of India	-	0.18	-	-	-	-	-	-	-	-	-	-
<b>Consultancy expenses</b>	-	-	-	-	-	-	-	10.96	10.96	-	-	-
Smt. Sonia Aggarwal	-	-	-	-	-	-	10.96	10.96	-	-	-	-
<b>Deputation fee income</b>	-	-	40.37	39.17	-	-	-	-	-	-	-	-
OAT & IIL India Laboratories Private Limited	-	-	40.37	39.17	-	-	-	-	-	-	-	-
<b>Membership &amp; Subscription expense</b>	17.70	17.70	-	-	-	-	-	-	-	-	-	-
Crop Care Federation of India	17.70	17.70	-	-	-	-	-	-	-	-	-	-
<b>Purchase of Capital &amp; Consumable Goods</b>	203.83	278.52	-	-	-	-	-	-	-	-	-	-
Vinod Metal Industries	203.83	278.52	-	-	-	-	-	-	-	-	-	-
<b>Sales of Finished Goods</b>	1,727.80	1,259.24	-	-	-	-	-	-	-	-	-	-
Crystal Crop Protection Limited	1,107.99	520.26	-	-	-	-	-	-	-	-	-	-
HPM Chemicals and Fertilizers Limited	208.39	-	-	-	-	-	-	-	-	-	-	-
Indogulf Crosciences Limited	411.42	738.98	-	-	-	-	-	-	-	-	-	-
<b>Purchases of Raw Material / Traded Goods</b>	3,024.40	4,194.51	151.12	-	-	-	-	-	-	-	-	-
Crystal Crop Protection Limited	2,156.48	3,159.71	-	-	-	-	-	-	-	-	-	-
HPM Chemicals and Fertilizers Limited	583.44	696.61	-	-	-	-	-	-	-	-	-	-
Indogulf Crosciences Limited	225.97	338.19	-	-	-	-	-	-	-	-	-	-
Kaeros Research Private Limited	58.51	-	-	-	-	-	-	-	-	-	-	-
IIL Biologicals Limited	-	-	53.51	-	-	-	-	-	-	-	-	-
OAT & IIL India Laboratories Private Limited	-	-	97.61	-	-	-	-	-	-	-	-	-
<b>Other Expenses</b>	17.70	8.85	-	-	-	-	-	-	-	-	-	-
Crop Care Federation of India	17.70	8.85	-	-	-	-	-	-	-	-	-	-

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

Particulars	Enterprises over which key management personnel and their relatives have control / significant influence		Subsidiary / Joint Venture / Trust		Individuals owning directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the Company and Key Management Personnel (KMP)		Key Management Personnel		Relatives of Key Management Personnel		Independent Directors	
	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	
<b>Reimbursement of Expenses - Received</b>												
OAT & IIL India Laboratories Private Limited	-	-	0.95	-	-	-	-	-	-	-	-	-
IIL Overseas DMCC (Dubai)	-	-	0.41	-	-	-	-	-	-	-	-	-
<b>R &amp; D Expenses</b>												
OAT & IIL India Laboratories Private Limited	-	-	425.07	432.27	-	-	-	-	-	-	-	-
<b>Rent paid</b>												
ISEC Organics Limited	6.16	12.97	-	-	-	-	-	-	11.64	4.89	-	-
Smt. Pushpa Aggarwal	6.16	12.97	-	-	-	-	-	-	11.64	4.89	-	-
<b>Rental Income</b>												
Kaeros Research Private Limited	17.02	-	4.60	-	-	-	-	-	-	-	-	-
IIL Biologicals Limited	17.02	-	4.60	-	-	-	-	-	-	-	-	-
<b>Revenue from Manpower supply</b>												
OAT & IIL India Laboratories Private Limited	-	-	38.37	56.28	-	-	-	-	-	-	-	-
			38.37	56.28								

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

Particulars	Enterprises over which key management personnel and their relatives have control / significant influence		Subsidiary / Joint Venture / Trust		Individuals owning directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the Company and Key Management Personnel (KMP)		Key Management Personnel		Relatives of Key Management Personnel		Independent Directors	
	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023
<b>Remuneration paid *</b>	-	-	897.07	727.23	-	-	74.46	60.66	69.95	47.51	-	-
Sh. Hari Chand Aggarwal			421.36	341.04								
Sh. Rajesh Kumar Aggarwal			408.76	328.72								
Smt. Nikunj Aggarwal			50.80	48.01								
Sh. Anil Kumar Goyal			16.15	9.46								
Sh. Sandeep Aggarwal							45.82	41.73				
Sh. Sandeep Kumar							28.64	18.93				
Sh. Sanjeev Aggarwal									27.20	27.00		
Smt. Anju Aggarwal									17.99	14.21		
Sh. Sanskar Aggarwal									24.76	6.30		
<b>Contribution to CSR</b>	-	-	-	-	246.00	271.91	-	-	-	-	-	-
IIL Foundation					246.00	271.91						
<b>Investment in Equity shares of Subsidiary Company</b>	-	-	-	-	93.13	118.00	-	-	-	-	-	-
IIL Biologicals Limited					82.00	118.00						
IIL Overseas DMCC (Dubai)					11.13	-						
<b>Deposit in Gratuity Trust</b>	-	-	-	-	9.00	9.00	-	-	-	-	-	-
IIL Employees Gratuity Trust					-	9.00						
<b>Sitting fees</b>	-	-	-	-	-	-	-	-	-	-	19.10	14.70
Sh. Anil Kumar Bhatia											3.45	1.50
Sh. Jayaraman Swaminathan											3.05	4.20
Smt. Praveen Gupta											3.75	3.00
Sh. Navin Shah											3.00	3.00
Sh. Virjesh Kumar Gupta											3.45	3.00
Sh. Shyam Lal Bansal											1.20	-
Sh. Supratim Bandyopadhyay											1.20	-

\* Excluding post employment benefits

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

### (iii) Balance outstanding with related parties

Particulars	Enterprises over which key management personnel and their relatives have control / significant influence		Subsidiary / Joint Venture / Trust		Individuals owning directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the Company and Key Management Personnel (KMP)		Key Management Personnel		Relatives of Key Management Personnel		Independent Directors	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
<b>Remuneration payable</b>	-	-	-	-	29.24	27.20	7.59	5.97	7.97	4.75	-	-
Sh. Hari Chand Aggarwal					12.06	11.09						
Sh. Rajesh Kumar Aggarwal					10.70	9.77						
Smt. Nikunj Aggarwal					4.91	4.68						
Sh. Anil Kumar Goyal					1.57	1.66						
Sh. Sandeep Aggarwal							4.45	3.93				
Sh. Sandeep Kumar							3.14	2.04				
Sh. Sanjeev Aggarwal								2.99	2.40			
Smt. Anju Aggarwal								2.39	1.58			
Sh. Sanskar Aggarwal								2.59	0.77			
<b>Trade Payables</b>	<b>660.81</b>	<b>900.64</b>	<b>102.28</b>	-	-	-	-	-	<b>0.84</b>	-	-	-
Vinod Metal Industries	100.37	77.74										
Indogulf Crosciences Limited	117.51	70.50										
HPM Chemicals and Fertilizers Limited	119.37	170.47										
Crystal Crop Protection Limited	265.05	581.93										
Kaeros Research Private Limited	58.51	-										
IL Biologicals Limited			53.51									
OAT & IIL India Laboratories Private Limited			48.77									
Smt. Sonia Aggarwal									0.84	0.84		
<b>Investment payable (net)</b>			<b>10.59</b>	-								
IIL Overseas DMCC (Dubai)			10.59									
<b>Trade Receivables</b>	<b>43.66</b>	<b>462.79</b>	-	<b>11.21</b>	-	-	-	-	-	-	-	-
Indogulf Crosciences Limited	-	375.67										
HPM Chemicals and Fertilizers Limited	43.66	-										
Crystal Crop Protection Limited		87.12										
OAT & IIL India Laboratories Private Limited			-	11.21								
<b>Advances given</b>	<b>213.26</b>	<b>403.46</b>	-	<b>9.00</b>	-	-	-	-	-	-	-	-
Indogulf Crosciences Limited	-	200.20										
ISEC Organics Limited	213.26	203.26										
IIL Employees Gratuity Trust			-	9.00								
IIL Overseas DMCC (Dubai)	-	-	0.54	-								

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

### iv) Key management personnel compensation

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Short-term employee benefits	971.51	787.89
Post-employment benefits	29.01	27.28
Long-term employee benefits	-	-
<b>Total</b>	<b>1,000.52</b>	<b>815.17</b>

### v) Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free. There have been no guarantees provided or received for any related party receivables or payables. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

## 39 Contingent liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Claims against the company not acknowledged as debt</b>		
a) Bank Guarantee	442.09	430.02
b) Excise Matter with Appellate Authority	429.51	429.51
c) Sales Tax / GST Matters	495.33	524.15
d) Revenue Department	89.60	89.60
<b>Total</b>	<b>1,456.53</b>	<b>1,473.28</b>

With respect to contingent liabilities reported at (b), (c) & (d) above, the management has taken an opinion from the legal advisors / professionals engaged by them and expects that the appeals will be decided in the favor of the Company. Therefore, the probability of outflow of resources is remote.

## 40 Commitments

### Commitments with respect to:

Particulars	As at March 31, 2024	As at March 31, 2023
Estimated amount of contracts remaining to be executed on capital accounts (net of advances) and not provided for	553.16	64.98
<b>Other commitments</b>		
Letter of credits (FLC & ILC)	8,966.26	8,887.03
	<b>9,519.42</b>	<b>8,952.01</b>

## 41 Leases

The Company has lease contracts for various items of land, office premises, warehouses and vehicles used in its operations. The lease of generally have lease terms between 60 to 198 years, while office premises and warehouses have lease terms between 1 to 10 years.

Further, the Company has leases of office premises and warehouses which have lease term less than 12 months. The Company applies the "Short term leases" recognition exemption for such leases.

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

### a) Amounts recognized in profit and loss

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation expense of right-of-use assets (Refer note 27)	234.96	218.05
Interest expense on lease liabilities (Refer note 26)	42.32	45.03
Expense relating to short-term leases (included in rent) (Refer note 28)	54.96	35.49
Net gain on lease modification (Refer note 22)	(0.27)	(13.34)
<b>Total</b>	<b>331.97</b>	<b>285.23</b>

### b) Extension and termination options

The Company has lease contracts that include extension and termination options. These options are negotiated by management and align with the Company's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised. The Company has considered all the lease payments relating to periods following the exercise date of extension options, where such option is available with the Company in the calculation of lease liabilities. The Company has determined that it is not reasonably certain that termination options attached to lease contracts will be exercised. Therefore, such disclosures are not applicable.

### c) Operating Lease Income

The Company has leased out a building. All leases are cancellable with 1 months notice. Rental income received during the year in respect of operating lease is INR 0.85 (March 31,2023: Nil ). Details of assets given on operating lease as at year end are as below.

Building	Year ended March 31, 2024	Year ended March 31, 2023
<b>Gross carrying value</b>		
Balance as at beginning of the year	-	-
Addition during the year	109.47	-
Disposal during the year	-	-
<b>Balance as at end of the year</b>	<b>109.47</b>	<b>-</b>
<b>Accumulated Depreciation</b>		
Balance as at beginning of the year	-	-
Addition during the year	-	-
Disposal during the year	-	-
<b>Balance as at end of the year</b>	<b>-</b>	<b>-</b>
<b>Net Carrying value</b>	<b>109.47</b>	<b>-</b>

## 42 Earnings per share ('EPS')

Basic EPS amounts are calculated by dividing the profit / loss for the year attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity shareholders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Face value of equity shares (Rs per share)	10.00	10.00
<b>Profit attributable to equity shareholders (A)</b>	<b>10,262.55</b>	<b>6,298.75</b>
<b>Weighted Average number of Equity Shares original</b>	<b>2,95,97,837</b>	<b>1,97,31,891</b>
Impact of bonus issue effected during the year March 31, 2024: Nil (March 31, 2023: allotment of 98,65,946 bonus shares at face value of Rs 10 each)	-	98,65,946
<b>Weighted Average number of Equity Shares post bonus used as denominator in calculating Basic Earnings Per Share (B)</b>	<b>2,95,97,837</b>	<b>2,95,97,837</b>
<b>EPS - basic (A/B) (Rs)</b>	<b>34.67</b>	<b>21.28</b>
Weighted Average number of Equity Shares post bonus used as denominator in calculating Basic earnings per share	2,95,97,837	2,95,97,837
Effect of dilutive common equivalent shares	-	-
<b>Weighted average number of equity shares and common equivalent shares outstanding (C)</b>	<b>2,95,97,837</b>	<b>2,95,97,837</b>
<b>EPS - diluted (A/C) (Rs)</b>	<b>34.67</b>	<b>21.28</b>

### 43 Assets pledged as security

The carrying amounts of assets pledged as security for current and non-current borrowings are:

Particulars	Note	As at March 31, 2024	As at March 31, 2023
<b>Current</b>			
<b>Financial assets</b>			
First charge			
Trade receivables	11(a)	29,666.82	29,624.44
Loans	11(d)	14.39	19.23
Other financial assets	11(e)	247.77	89.40
		<b>29,928.98</b>	<b>29,733.07</b>
<b>Non-financial assets</b>			
Inventories	10	80,646.03	86,172.07
Other current assets	12	1,341.94	922.45
<b>Total current assets pledged as security</b>		<b>1,11,916.95</b>	<b>1,16,827.59</b>
<b>Non-Current</b>			
<b>Financial assets</b>			
First charge			
Security deposits	7(b)	205.78	168.52
<b>Non-financial assets</b>			
Property, plant and equipment	3(a)	23,672.28	22,980.62
Capital work-in-progress	3(b)	13,468.73	11,745.39
Investment property	3(c)	109.47	-
Other non-current assets	9	563.84	2,935.47
<b>Total non-currents assets pledged as security</b>		<b>38,020.10</b>	<b>37,830.00</b>
<b>Total assets pledged as security</b>		<b>1,49,937.05</b>	<b>1,54,657.59</b>

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

- 44** The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective. Based on a preliminary assessment, by the Company, the additional impact on Provident Fund contributions by the Company is not expected to be material, whereas, the likely additional impact on Gratuity liability / contributions by the Company could be material. The Company will complete their evaluation and will give appropriate impact in the standalone financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.
- 45** Information as required to be furnished as per section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) for the year ended March 31, 2024 is given below. This information has been determined to the extent such parties have been identified on the basis of information available with the Company:

Particulars	As at March 31, 2024	As at March 31, 2023
i Principal amount and interest due thereon remaining unpaid to any supplier covered under MSMED Act:		
Principal	238.12	-
Interest	2.34	-
ii The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with amounts of the payments made to the supplier beyond the appointed day during each accounting Year.		
Principal Paid during Financial year	55.01	35.55
Interest Paid during Financial year*	1.33	0.42
iii The amount of interest due and payables for the period of delay in making payment (Which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act.	-	-
iv The amount of Interest accrued and remaining unpaid at the end of each accounting year.		
Accounting year ended March 31, 2024	2.34	-
Accounting year ended March 31, 2023	-	-
v The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above actually paid to the small enterprise for the purpose of disallowance as a deductible enterprise under section 23 of the MSMED Act,2006.	2.34	-

\*The interest has been reversed since the same was not required to be paid as per the agreement/PO

### 46 Contract assets and contract liabilities

The following table provides information about trade receivables and contract liabilities from contracts with the customers:

Particulars	As at March 31, 2024	As at March 31, 2023
Trade Receivables (refer note 11(a))	29,666.82	29,624.44
<b>Total trade receivables</b>	<b>29,666.82</b>	<b>29,624.44</b>
Advance from customers (contract liabilities) (refer note 19 & 21)	13,608.21	11,455.69
<b>Total advance from customers (contract liabilities)</b>	<b>13,608.21</b>	<b>11,455.69</b>



## Notes to Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

**47** The Company has received Refund of Terminal Excise Duty during the financial years 2014-15, 2015-16 & 2016-17 from the Director of Foreign Trade (DGFT), Ahmedabad on the basis of issuance of an Advance Release Order (ARO) by DGFT, Mumbai. On 28th November, 2019, the Additional Director of Foreign Trade, Ahmedabad has issued show cause notice (which is primary stage of adjudication) stating that the refunds were erroneously paid by this office and directed to pay back the amount of INR 7,828.87 lacs along with interest @ 15%. The Additional Director of Foreign Trade, Ahmedabad has also provided an opportunity to the Company to appear before the Authority which is mandatory requirement before adjudicating. In terms of the provisions of the Act, the Company filed the writ petition before Hon'ble Gujarat High Court against the Show Cause Notice challenging the legality of the notice and the Hon'ble court has granted interim relief and also stayed the show cause notice proceedings.

### 48 Changes in accounting policies and disclosures

#### (a) New and amended standards and interpretations

(i) Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

These amendments had no impact on the financial statements of the Company.

(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments have had an impact on the disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the financial statements of the Company.

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases.

These amendments had no impact on the financial statements of the Company.

Apart from these, consequential amendments and editorials have been made to other Ind AS like Ind AS 101, Ind AS 102, Ind AS 103, Ind AS 107, Ind AS 109, Ind AS 115 and Ind AS 34.

#### (b) Standards issued but not yet effective

There are no such standards or amendment issued which are not effective as on date.

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

### 49 Ratios

Ratio	Numerator	Denominator	As at March 31, 2024	As at March 31, 2023	% Change
Current Ratio	Current assets	Current liability	1.90	1.62	17.28%
Debt-Equity Ratio *	Total debt (including lease liabilities)	Total Shareholders' Equity	0.09	0.18	-50.00%
Debt Service Coverage Ratio **	Earnings for debt service = Net profit after taxes + Non-cash operating expenses (Depreciation & amortisation) + Finance costs	Debt service = Interest & Lease Payments + Principal Repayments	2.48	0.64	287.50%
Return on Equity Ratio ***	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	10.65%	7.07%	50.64%
Inventory turnover Ratio	Cost of goods sold	Average Inventory	1.76	1.86	-5.38%
Trade Receivables turnover Ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	6.63	6.16	7.63%
Trade payables turnover Ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	3.25	4.19	-22.43%
Net capital turnover Ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	3.32	3.81	-12.86%
Net profit Ratio ***	Net Profit	Net sales = Total sales - sales return	5.22%	3.50%	49.14%
Return on capital employed ***	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	12.94%	8.90%	45.39%
Return on investment ****	OCI Income	Investment	34.99%	21.42%	63.35%

#### Reasons for variance:

\* Reduction in borrowings and lease liabilities and enlargement in shareholder's equity has lead to decrease in the ratio.

\*\* Reduction in borrowing along with enlargement in profit has resulted to increase in the ratio.

\*\*\* Higher of profit has lead to increase in the ratio.

\*\*\*\* Higher of Market value of Investment has resulted to increase in the ratio.

### 50 Other Amendments as per Sch III of the Companies Act, 2013

- The Company does not have any benami property, nor any proceeding has been initiated or pending against the Company for holding any benami property.
- The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.
- 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:
  - 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

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

- (ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries
- d) The Company has not received any fund 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:
  - (i) 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
  - (ii) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.
- e) The Company does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- f) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of layers) Rules, 2017.
- g) The Company is not declared wilful defaulter by any bank or financial institution or other lender during the year.
- h) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- i) The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was obtained.
- j) The title deeds of all the immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment and capital work-in progress are held in the name of the Company as at the balance sheet date.
- k) The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- l) The Company does not have any loan or advance in the nature of loans granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are:
  - (a) repayable on demand; or
  - (b) without specifying any terms or period of repayment

### 51 Audit Trail:

The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by Companies (Accounts) Amendment Rules, 2021 requiring companies, which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating and edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled. The Company has enabled the audit trail(edit logs) facility of the accounting software used for maintenance of all accounting records. However, audit trail (edit logs) are enabled at application level and not at database level because enabling this facility will severely impacts ERP performance due to direct impact on space utilisation.

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

### 52 Subsequent:

On April 28, 2024, a fire incident occurred at the Chopanki Plant. The company has assessed the expected loss from the fire to be INR 460.00. lacs

According to IND AS 10 "Events after the Reporting Period," this is considered a non-adjusting event. The company does not anticipate any impact on its ability to continue as a going concern due to the fire at the Chopanki Plant.

As per our separate report of even date annexed herewith

**For S S KOTHARI MEHTA & CO. LLP**

Chartered Accountants

Firm Registration No. - 000756N / N500441

**For DEVESH PAREKH & CO.**

Chartered Accountants

Firm Registration No. - 013338N

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

**INSECTICIDES (INDIA) LIMITED**

CIN : L65991DL1996PLC083909

**VIJAY KUMAR**

Partner

Membership No.- 092671

**DEVESH PAREKH**

Partner

Membership No.- 092160

**HARI CHAND AGGARWAL**

Chairman

DIN: 00577015

**RAJESH KUMAR AGGARWAL**

Managing Director

DIN: 00576872

**SANDEEP KUMAR**

Company Secretary

PAN : AQIPK8144P

**NIKUNJ AGGARWAL**

Whole Time Director

DIN: 06569091

**SANDEEP KUMAR AGGARWAL**

Chief Financial Officer

PAN : AAVPA7635C

**Place :** Delhi

**Date :** May 28, 2024

# Independent Auditor's Report

## To The Members of Insecticides (India) Limited

### Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the accompanying Consolidated Financial Statements of **Insecticides (India) Limited** (herein referred to as "the Holding Company") and its subsidiaries (the Holding company and its subsidiaries together referred to as "the Group") and its jointly controlled entity, which comprise the Consolidated Balance Sheet as on March 31, 2024, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of the material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2024, the consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

#### Key Audit Matter

##### Recognition of revenue

The Group recognizes revenue at the point in time when control of the goods is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. In determining the transaction price for the sale, the Group considers the effects of variable consideration and consideration receivable from the customer.

For the year ended March 31, 2024, Consolidated Statement of Profit & Loss includes Sales of Rs. 1,95,638.39 Lakhs. The nature of rebates, discounts, and sales returns, if any, involve judgment in determining sales revenues and revenue cut-off. The risk is, therefore, that revenue may not be recognized in the correct period.

Refer to accounting policies Note 2.2 (b) and Note No. 22 of the Consolidated Financial Statements

#### Basis for Opinion

We conducted our audit of the consolidated 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 Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and Jointly Controlled Entity 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 consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

#### Auditor's Response

##### Principal Audit Procedures

- We performed process walkthrough to understand the adequacy and the design of the revenue cycle. We tested internal controls in the revenue and trade receivables over the accuracy and timing of revenue accounted in the Consolidated financial statements.
- Understanding the policies and procedures applied to revenue recognition, as well as compliance thereof, including an analysis of the effectiveness of controls related to revenue recognition processes employed by the Group.
- We reviewed the revenue recognition policy applied by the Company to ensure its compliance with Ind AS 115 requirements.
- We performed a detailed testing on transactions, ensuring revenues were recognized in the correct accounting period. We also tested journal entries recognized in revenue focusing on unusual or irregular transactions.
- We validated the appropriateness and completeness of the related disclosures in Note No. 22 of the Consolidated financial statements.

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

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility & Sustainability Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements, standalone financial statement, and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance or conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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 Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its jointly controlled entity in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and its jointly controlled entity are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the Companies included in the Group and its jointly controlled entity are responsible for assessing the ability of the Group and its jointly controlled entity to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Companies included in the Group and its jointly controlled entity are responsible for overseeing the financial reporting process of the Group and its jointly controlled entity.

## Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated 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 consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the

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

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entity or business activities within the Group and its jointly controlled entity of which we are the independent auditors and whose financials information we have audited, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entity included in the consolidated financial statements of which we are the independent auditor. For the other entities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the directions, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated 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 consolidated financial statements.

We communicate with those charged with governance of the Holding Company, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matters

- The accompanying Consolidated Financial Statements include the financial statements and other financial information in respect of a subsidiary which reflect total assets of Rs. 382.80 lakhs as at March 31 2024, and total revenue of Rs. 45.35 lakhs and net cash inflow of Rs. 17.07 lakhs for the year ended on that date, as considered in the Consolidated financial statements, which have been audited by one of the joint auditor, individually.
- The Consolidated Financial Statements include the Group's share of net profit after tax of Rs. 31.20 lakhs for the year ended March 31, 2024, in respect of a jointly controlled entity. These financial statements are audited by other auditors whose report have been furnished to us by the management. Our opinion in so far as it relates to the affairs of such jointly controlled entity, and our report in terms of sub-sections (3) of section 143 of the Act, in so far as it relates to the aforesaid jointly controlled entity is based solely on the report of the other auditor.
- The accompanying Consolidated Financial Statements include the financial statements and other financial information in respect of a subsidiary which reflect total assets of Rs. 12.92 lakhs as at March 31 2024, and total revenue of Rs. Nil and net cash inflow of Rs. 2.33 lakhs for the year ended on that date, as considered in the Consolidated financial statements. These financial statements are unaudited and have been furnished to us by the Board of Directors and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of said subsidiary, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Board of Directors, these financial statements are not material to the Group.

Our opinion on the Consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

## Report on Other Legal and Regulatory Requirements

1. With respect to the matters specified in paragraphs 3(xxii) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us and other auditors of Company included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.
2. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors except for the matters stated in paragraph 2(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements.
  - d) In our opinion, the aforesaid consolidated 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 of the Holding Company as on March 31, 2024 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiaries and its jointly controlled entity incorporated in India, none of the directors of the Group and its jointly controlled entity incorporated in India is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in the paragraph 2(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
  - g) With respect to the adequacy of the internal financial controls with reference to Consolidated Financial Statements of the Holding Company and its subsidiary company and jointly controlled entity, incorporated in India, 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 Company's internal financial controls with reference to financial statement.
  - h) 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 Holding Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
  - i) 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 consolidated financial statements disclose impact of pending litigations on the consolidated financial position of the Group and its jointly controlled entity. Refer note no. 39 to the consolidated financial statements.
    - ii. The Group and its jointly controlled entity have made provisions, as required under the applicable law or accounting standards, for material foreseeable losses, if any; on long-term contracts including derivative contracts.
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund ("IEPF") by the Holding Company. Further, there were no amount which were required to be transferred to the IEPF by the subsidiary its jointly controlled entity incorporated in India.
    - iv. (a) The respective managements of the Holding Company and its Subsidiary and Jointly Controlled Entity, incorporated within India, have represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of



funds) by the holding company and its subsidiary and its jointly controlled entity to or in any other person or entity, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the holding company and its subsidiary and its jointly controlled entity jointly controlled entity (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (b) The respective management of the Holding Company and its subsidiary and Jointly controlled entity, incorporated within India, has represented, that, to the best of its knowledge and belief, no funds have been received by the Holding Company and its subsidiary and its jointly controlled entity from any person or entity, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Holding Company and its Subsidiary and Jointly Controlled Entity shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances and based on audit reports of other auditors, nothing has come to our notice that causes 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. As stated in Note 36(b) to the consolidated financial statements and based on review of the reports of other auditors:

- a) The Holding Company and its subsidiary company, jointly controlled entity incorporated in India have not proposed a final dividend during the previous year.
- b) The interim dividend declared and paid by the Holding Company during the year is in compliance with Section 123 of the Act.
- c) The Holding Company and its subsidiary company, jointly controlled entity incorporated in India have not proposed a final dividend for the year.
- vi. Based on our examination which included test checks and the reports of the respective auditor of the subsidiary company and jointly controlled entity incorporated in India whose financial statements have been audited under the Act, in respect of financial year commencing on April 1, 2023, has used an accounting software for maintaining their respective books of account which have feature of recording audit trail (edit log) and the same has operated throughout the year for all relevant transactions recorded in the software except in case of holding company, audit trail feature was not enabled at the database level for accounting software to log any direct data changes and in case of jointly controlled entity incorporated in India it has been operated during the year for all relevant transactions recorded in the software except for the period starting from April 1, 2023 to August 03, 2023 where the earlier software version was used and did not have the audit trail feature.

Further, for the audit period where audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting softwares, we did not come across any instance of the audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, thus reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

For **S S Kothari Mehta & Co. LLP**

Chartered Accountants

Firm's registration number: 000756N/N500441

**Vijay Kumar**

Partner

Membership number: 092671

UDIN: 24092671BKFBPI7686

Place: Delhi

Date : May 28, 2024

Annual Report 2023-24

For **Devesh Parekh & Co.**

Chartered Accountants

Firm's registration number: 013338N

**Devesh Parekh**

Partner

Membership number: 092160

UDIN: 24092160BKDFVM8600

Place: Delhi

Date : May 28, 2024

## **“Annexure A” to the Independent Auditor’s Report of even date on the Consolidated Financial Statements of Insecticides (India) Limited**

**(Referred to in paragraph 2(g) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Insecticides (India) Limited 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”)**

In conjunction with our audit of the consolidated financial statements of the company as of and for the year ended March 31, 2024, we have audited the internal financial controls with reference to financial statements of **Insecticides (India) Limited** (‘the Holding Company’) and its subsidiary and its jointly controlled entity, which are companies incorporated in India, as of that date.

### **Management’s Responsibility for Internal Financial Controls**

The respective Board of Directors of the Holding Company and its subsidiary and its jointly controlled entity which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls 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 issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the Holding Company’s, Subsidiary and Jointly Controlled Entity, which are incorporated in India, internal financial controls with reference to consolidated 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”) and the Standards on Auditing, issued by the ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about

whether adequate internal financial controls with reference to consolidated financial statements 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 system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, 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, and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls with reference to consolidated financial statements.

### **Meaning of Internal Financial Controls with reference to consolidated financial statements**

A company’s internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the consolidated financial statements.

### Inherent Limitations of Internal Financial Controls with reference to consolidated 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 consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In our opinion, the Holding Company, have maintained, in all material respects, an adequate internal financial controls

For **S S Kothari Mehta & Co. LLP**  
Chartered Accountants  
Firm's registration number: 000756N/N500441

### Vijay Kumar

Partner  
Membership number: 092671  
UDIN: 24092671BKFBPI7686

Place: Delhi  
Date : May 28, 2024

system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, 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 issued by the Institute of Chartered Accountants of India.

### Other Matters

Reporting on the adequacy of the Internal Financial Controls with reference to financial statement of the subsidiary company and jointly controlled entity and the operating effectiveness of such controls, under Section 143(3)(i) of the Act is not applicable as per report of the auditors of such companies.

For **Devesh Parekh & Co.**  
Chartered Accountants  
Firm's registration number: 013338N

### Devesh Parekh

Partner  
Membership number: 092160  
UDIN: 24092160BKDFVM8600

Place: Delhi  
Date : May 28, 2024

# CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
<b>ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, plant and equipment	3(a)	23,690.45	22,980.62
(b) Capital work-in-progress	3(b)	13,540.32	11,745.39
(c) Investment property	4	197.31	86.84
(d) Right-of-use assets	5	3,844.10	2,497.29
(e) Other intangible assets	6(a)	704.18	695.24
(f) Intangible assets under development	6(b)	644.87	560.84
(g) Investment in subsidiaries and joint venture	7	1,101.10	1,061.22
(h) Financial assets			
(i) Investments	8(a)	852.89	631.80
(ii) Other financial assets	8(b)	341.48	205.66
(i) Income tax assets (net)	9	683.89	2,628.84
(j) Other non-current assets	10	930.23	3,316.89
<b>Total non-current assets</b>		<b>46,530.82</b>	<b>46,410.63</b>
<b>2 Current assets</b>			
(a) Inventories	11	80,692.21	86,172.07
(b) Financial assets			
(i) Trade receivables	12(a)	29,666.82	29,624.44
(ii) Cash and cash equivalents	12(b)	6,124.67	1,862.81
(iii) Bank balances other than (ii) above	12(c)	15.83	106.59
(iv) Loans	12(d)	14.39	19.23
(v) Other financial assets	12(e)	247.77	89.40
(c) Other current assets	13	8,057.20	5,346.24
<b>Total current assets</b>		<b>1,24,818.89</b>	<b>1,23,220.78</b>
<b>TOTAL ASSETS</b>		<b>1,71,349.71</b>	<b>1,69,631.41</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity share capital	14	2,959.78	2,959.78
(b) Other equity	15	98,393.58	88,869.19
<b>Total equity</b>		<b>1,01,353.36</b>	<b>91,828.97</b>
<b>LIABILITIES</b>			
<b>1 Non-current liabilities</b>			
(a) Financial liabilities	16		
(i) Borrowings	16(a)	2,917.16	185.93
(ii) Lease liabilities	16(b)	231.35	216.89
(b) Provisions	17(a)	218.42	183.22
(c) Deferred tax liabilities (net)	18	1,003.14	1,265.07
<b>Total non-current liabilities</b>		<b>4,370.07</b>	<b>1,851.11</b>
<b>2 Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	19(a)	5,402.73	15,721.03
(ii) Lease liabilities	16(b)	179.70	145.86
(iii) Trade payables	19(b)		
(A) total outstanding due of micro enterprises and small enterprises		1,776.73	2,705.98
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		40,122.77	42,120.80
(iv) Other financial liabilities	19(c)	3,464.52	3,150.06
(b) Other current liabilities	20	14,268.62	11,859.23
(c) Provisions	17(b)	411.21	248.37
(d) Current tax liabilities (net)	21	-	-
<b>TOTAL CURRENT LIABILITIES</b>		<b>65,626.28</b>	<b>75,951.33</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,71,349.71</b>	<b>1,69,631.41</b>

The accompanying notes are an integral part of the consolidated financial statements.

Material Accounting Policies

1 to 2

Notes to Financial Statements

3 to 54

As per our separate report of even date annexed herewith

**For S S KOTHARI MEHTA & CO. LLP**  
Chartered Accountants  
Firm Registration No. - 000756N / N500441

**For DEVESH PAREKH & CO.**  
Chartered Accountants  
Firm Registration No. - 013338N

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**  
INSECTICIDES (INDIA) LIMITED  
CIN : L65991DL1996PLC083909

**VIJAY KUMAR**  
Partner  
Membership No.- 092671

**DEVESH PAREKH**  
Partner  
Membership No.- 092160

**HARI CHAND AGGARWAL**  
Chairman  
DIN: 00577015

**RAJESH KUMAR AGGARWAL**  
Managing Director  
DIN: 00576872

**SANDEEP KUMAR**  
Company Secretary  
PAN : AQIPK8144P

**NIKUNJ AGGARWAL**  
Whole Time Director  
DIN: 06569091

Place : Delhi  
Date : May 28, 2024

**SANDEEP KUMAR AGGARWAL**  
Chief Financial Officer  
PAN : AAVPA7635C

# CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

Particulars	Note No.	Year ended March 31, 2024	Year ended March 31, 2023
<b>Income</b>			
Revenue from operations	22	1,96,638.55	1,80,132.85
Other income	23	946.77	126.39
<b>Total income</b>		<b>1,97,585.32</b>	<b>1,80,259.24</b>
<b>Expenses</b>			
Cost of raw material and components consumed	24	1,33,220.17	1,39,946.52
Purchase of traded goods		15,885.66	11,212.48
Changes in inventories of finished goods, work-in-progress and traded goods	25	(2,606.96)	(12,596.77)
Employee benefits expense	26	11,733.21	9,838.05
Finance costs	27	1,088.82	1,345.10
Depreciation and amortization expense	28	2,925.02	2,610.18
Other expenses	29	22,151.25	19,543.97
<b>Total expenses</b>		<b>1,84,397.17</b>	<b>1,71,899.53</b>
<b>Profit before tax and exceptional items</b>		<b>13,188.15</b>	<b>8,359.71</b>
Exceptional items		-	-
<b>Profit before tax and share of net profits of investments accounted for using equity method</b>		<b>13,188.15</b>	<b>8,359.71</b>
Share of net profit of joint venture accounted for using the equity method		31.01	23.20
<b>Profit before tax</b>		<b>13,219.16</b>	<b>8,382.91</b>
Tax expenses	31		
- Current tax		3,295.17	2,082.85
- Deferred tax		(312.53)	(21.06)
<b>Total tax expenses</b>		<b>2,982.64</b>	<b>2,061.79</b>
<b>Profit for the year</b>		<b>10,236.52</b>	<b>6,321.12</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified subsequently to profit or loss	32		
Equity instruments through other comprehensive income		221.09	111.46
Remeasurement of the net defined benefit plans		(3.54)	(75.76)
Share of other comprehensive income of joint venture accounted for using the equity method		11.85	4.15
Income tax relating to these items		(53.60)	(7.94)
Items that will be reclassified to profit or loss			
Exchange differences in translating the financial statements of foreign operations		-	-
<b>Total of other comprehensive income for the year (net of tax)</b>		<b>175.80</b>	<b>31.91</b>
<b>Total comprehensive income for the year (net of tax)</b>		<b>10,412.32</b>	<b>6,353.03</b>
<b>Earnings per equity share (in INR)</b>			
	44		
- Basic		34.59	21.36
- Diluted		34.59	21.36

The accompanying notes are an integral part of the standalone financial statements.

Material Accounting Policies

1 to 2

Notes to Financial Statements

3 to 52

As per our separate report of even date annexed herewith

**For S S KOTHARI MEHTA & CO. LLP**  
Chartered Accountants  
Firm Registration No. - 000756N / N500441

**For DEVESH PAREKH & CO.**  
Chartered Accountants  
Firm Registration No. - 013338N

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**  
INSECTICIDES (INDIA) LIMITED  
CIN : L65991DL1996PLC083909

**VIJAY KUMAR**  
Partner  
Membership No.- 092671

**DEVESH PAREKH**  
Partner  
Membership No.- 092160

**HARI CHAND AGGARWAL**  
Chairman  
DIN: 00577015

**RAJESH KUMAR AGGARWAL**  
Managing Director  
DIN: 00576872

**SANDEEP KUMAR**  
Company Secretary  
PAN : AQIPK8144P

**NIKUNJ AGGARWAL**  
Whole Time Director  
DIN: 06569091

**SANDEEP KUMAR AGGARWAL**  
Chief Financial Officer  
PAN : AAVPA7635C

Place : Delhi

Date : May 28, 2024

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

### (A) Equity share capital

#### (1) Current reporting period

Particulars	Balance at the beginning of the current reporting period April 01, 2023	Changes in Equity share Capital due to prior period items	Restated Balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period March 31, 2024
Equity share capital (Refer note 14)	2,959.78	-	2,959.78	-	2,959.78

#### (2) Previous reporting period

Particulars	Balance at the beginning of the current reporting period April 01, 2022	Changes in Equity share Capital due to prior period items	Restated Balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period March 31, 2023
Equity share capital (Refer note 14)	1,973.19	-	1,973.19	986.59	2,959.78

### (B) Other equity

Particulars	Reserves and surplus				Other reserves		Total Other Equity
	Securities premium	General reserve	Capital redemption reserve	Retained earnings	Equity instruments through other comprehensive income	Foreign currency translation reserve	
<b>Balance as at April 1, 2022</b>	<b>4,584.38</b>	<b>3,107.93</b>	<b>93.59</b>	<b>77,043.41</b>	<b>158.62</b>	<b>-</b>	<b>84,987.93</b>
Profit for the year	-	-	-	6,321.12	-	-	6,321.12
Transaction Cost of Issued Share Capital	-	-	-	(5.28)	-	-	(5.28)
Other comprehensive income (net of tax)	-	-	-	(53.60)	85.50	-	31.90
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,262.24</b>	<b>85.50</b>	<b>-</b>	<b>6,347.74</b>
Issue of bonus shares (Refer note 15)	(986.59)	-	-	-	-	-	(986.59)
Final dividend paid during the year	-	-	-	(591.96)	-	-	(591.96)
Interim dividend paid during the year	-	-	-	(887.93)	-	-	(887.93)
<b>Balance as at March 31, 2023</b>	<b>3,597.79</b>	<b>3,107.93</b>	<b>93.59</b>	<b>81,825.76</b>	<b>244.12</b>	<b>-</b>	<b>88,869.19</b>

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

Particulars	Reserves and surplus				Other reserves		Total Other Equity
	Securities premium	General reserve	Capital redemption reserve	Retained earnings	Equity instruments through other comprehensive income	Foreign currency translation reserve	
Profit for the year	-	-	-	10,236.52	-	-	10,236.52
Other comprehensive income (net of tax)	-	-	-	6.22	169.58	-	175.80
<b>Total comprehensive income for the year</b>	-	-	-	<b>10,242.74</b>	<b>169.58</b>	-	<b>10,412.32</b>
Interim dividend paid during the year	-	-	-	(887.93)	-	-	(887.93)
<b>Balance as at March 31, 2024</b>	<b>3,597.79</b>	<b>3,107.93</b>	<b>93.59</b>	<b>91,180.57</b>	<b>413.70</b>	-	<b>98,393.58</b>

The accompanying notes are an integral part of the standalone financial statements.

Material Accounting Policies

1 to 2

Notes to Financial Statements

3 to 54

As per our separate report of even date annexed herewith

**For S S KOTHARI MEHTA & CO. LLP**

Chartered Accountants

Firm Registration No. - 000756N / N500441

**For DEVESH PAREKH & CO.**

Chartered Accountants

Firm Registration No. - 013338N

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

INSECTICIDES (INDIA) LIMITED

CIN : L65991DL1996PLC083909

**VIJAY KUMAR**

Partner

Membership No.- 092671

**DEVESH PAREKH**

Partner

Membership No.- 092160

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Company Secretary

PAN : AQIPK8144P

**NIKUNJ AGGARWAL**

Whole Time Director

DIN: 06569091

**SANDEEP KUMAR AGGARWAL**

Chief Financial Officer

PAN : AAVPA7635C

**Place :** Delhi

**Date :** May 28, 2024

## CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
<b>(A) Cash Flow From Operating Activities</b>		
<b>Net profit before tax</b>	<b>13,219.16</b>	<b>8,382.91</b>
Adjustment on account of		
- Share of Net Profit of Joint Venture	(31.01)	(23.20)
- Depreciation & Amortization	2,925.02	2,610.18
- (Profit)/Loss on sale/disposal of property, plant and equipment	(173.23)	6.65
- Net gain on lease modification	(0.27)	(13.34)
- Interest income	(52.85)	(11.83)
- Dividend income	(22.05)	(20.31)
- Interest expenses	1,088.82	1,345.10
- Bad debts written off	22.76	26.71
- Provision for expected credit losses of trade receivables	272.20	25.34
- Derivative (gain) / loss	23.64	48.08
- Unrealised exchange differences	(153.98)	(244.58)
<b>Operating Profit Before Working Capital Changes</b>	<b>17,118.21</b>	<b>12,131.71</b>
Adjustments for		
- (Increase)/Decrease in security deposits	(37.36)	(43.84)
- (Increase)/Decrease in inventories	5,479.86	(23,149.65)
- (Increase)/Decrease in trade receivables	(253.68)	(731.44)
- (Increase)/Decrease in loans	4.84	(6.35)
- (Increase)/Decrease in other financial assets	(179.55)	85.81
- (Increase)/Decrease in other current assets	(2,695.93)	(832.98)
- Increase/(Decrease) in provisions	194.50	18.07
- Increase/(Decrease) in trade payables	(2,801.89)	12,638.67
- Increase/(Decrease) in other financial liabilities	478.67	366.69
- Increase/(Decrease) in other current liabilities	2,409.38	1,523.35
<b>Cash generated from operations</b>	<b>19,717.05</b>	<b>2,000.04</b>
Less: Income tax paid	(1,350.23)	(3,063.29)
<b>Net cash flow (used in) / from operating activities (A)</b>	<b>18,366.82</b>	<b>(1,063.25)</b>
<b>(B) Cash Flow From Investing Activities</b>		
- Addition to property, plant and equipment and intangible assets, capital-work-in-progress and intangible assets under development	(4,900.84)	(8,745.88)
- Proceeds from sale of property plant and equipment	535.97	73.32
- Interest received	52.85	11.83
- Proceeds from / (investment in) bank deposits	(7.69)	8.71
- Dividends received	20.58	11.76
<b>Net cash flow (used in) / from Investing Activities (B)</b>	<b>(4,299.13)</b>	<b>(8,640.26)</b>
<b>(C) Cash Flow From Financing Activities</b>		
- Repayment of long term borrowings	(1,794.09)	(288.86)
- Proceeds from long term borrowings	4,470.23	289.76
- Proceeds/(Repayment) from/of short term borrowings	(10,318.30)	10,966.77
- Payment of lease liabilities	(178.99)	(199.07)
- Interest paid	(1,096.74)	(1,315.41)
- Transaction cost of issue of share capital	-	(5.28)
- Dividend paid (final & interim)	(887.94)	(1,479.89)
<b>Net cash flow (used in) / from financing activities (C)</b>	<b>(9,805.83)</b>	<b>7,968.02</b>
<b>Net increase/ (decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>4,261.86</b>	<b>(1,735.49)</b>
Cash and cash equivalents at the beginning of the year	1,862.81	3,598.30
<b>Cash and cash equivalents at the end of the year</b>	<b>6,124.67</b>	<b>1,862.81</b>



## CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with banks on current accounts	2,011.09	1,855.15
Cash on hand	11.56	7.66
Deposits with original maturity upto three months	4,102.02	-
<b>Total cash and cash equivalents</b>	<b>6,124.67</b>	<b>1,862.81</b>

### Non cash changes in liabilities arising from financial liabilities:

Current reporting period:

Particulars	As at April 1, 2023	Cash flows	Unrealised exchange difference	Other non cash changes	As at March 31, 2024
Long term borrowings (including current maturities)	185.93	2,676.14	55.09	-	2,917.16
Lease liabilities (including current maturities)	362.75	(178.99)	-	227.29	411.05
Short term borrowings	15,721.03	(10,318.30)	-	-	5,402.73
	<b>16,269.71</b>	<b>(7,821.15)</b>	<b>55.09</b>	<b>227.29</b>	<b>8,730.94</b>

Previous reporting period:

Particulars	As at April 1, 2022	Cash flows	Unrealised exchange difference	Other non cash changes	As at March 31, 2023
Long term borrowings (including current maturities)	185.03	0.90	-	-	185.93
Lease liabilities (including current maturities)	455.67	(199.07)	-	106.15	362.75
Short term borrowings	4,754.26	10,966.77	-	-	15,721.03
	<b>5,394.96</b>	<b>10,768.60</b>	<b>-</b>	<b>106.15</b>	<b>16,269.71</b>

The accompanying notes are an integral part of the standalone financial statements.

Material Accounting Policies

1 to 2

Notes to Financial Statements

3 to 54

As per our separate report of even date annexed herewith

**For S S KOTHARI MEHTA & CO. LLP**

Chartered Accountants

Firm Registration No. - 000756N / N500441

**For DEVESH PAREKH & CO.**

Chartered Accountants

Firm Registration No. - 013338N

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

INSECTICIDES (INDIA) LIMITED

CIN : L65991DL1996PLC083909

**VIJAY KUMAR**

Partner

Membership No.- 092671

**DEVESH PAREKH**

Partner

Membership No.- 092160

**HARI CHAND AGGARWAL**

Chairman

DIN: 00577015

**RAJESH KUMAR AGGARWAL**

Managing Director

DIN: 00576872

**SANDEEP KUMAR**

Company Secretary

PAN : AQIPK8144P

**NIKUNJ AGGARWAL**

Whole Time Director

DIN: 06569091

**SANDEEP KUMAR AGGARWAL**

Chief Financial Officer

PAN : AAVPA7635C

**Place :** Delhi

**Date :** May 28, 2024

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

### 1. Corporate Information

**Insecticides (India) Limited** ("The Company") (CIN: L65991DL1996PLC083909) is a public Company domiciled in India and incorporated under the provisions of the Companies Act. The shares of the Company are listed in India on the Bombay Stock Exchange Limited and National Stock Exchange. The registered office of the Company is located at 401-402, Lusa Tower, Azadpur Commercial Complex, Delhi, 110033. The Company is engaged in the manufacturing activities of Agro Chemicals, Pesticides and Technical Products for agriculture purposes. The Company caters to both domestic and international markets.

OAT and IIL India Laboratories Private Limited was incorporated on March 6, 2013, as per joint venture agreement dated December 26, 2012 between OAT Agrico Co., Ltd., Japan and the Company (co-venturers), to undertake Scientific and Technical Research Experiment, Product Development, Bio-equivalency Studies and Developing New Chemical Entities (NCEs) for the co-venturers.

IIL Biologicals Limited (wholly owned subsidiary) was incorporated on July 18, 2022 by the Company to undertake the manufacturing activities of chemicals, pesticides and technical products for the agriculture purpose.

IIL Overseas DMCC (wholly owned subsidiary) was incorporated on May 01, 2023 by the Company to undertake the trading activities of chemicals, pesticides and technical products for the agriculture purpose.

Insecticides (India) Limited together with IIL Biologicals Limited and IIL Overseas DMCC (Subsidiaries) and OAT & IIL India Lab (P) Ltd. (Joint venture) are hereinafter referred to as the "Group".

The Group's financial statements were authorised for issue in accordance with a resolution of the directors on May 28, 2024.

### 2. Material accounting policies

#### 2.1 Basis of preparation

The financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 notified under section 133 of the Companies Act 2013 ("the Act") as amended thereafter and other relevant provision of the Act.

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Derivative financial instruments
- Plan assets of defined employee benefit plans, and
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)

The financial statements are presented in Indian Rupees (INR) which is also the Group's functional currency, and all values are rounded to the nearest lacs, except when otherwise indicated.

#### 2.2. Basis of consolidation

##### Subsidiary

- The results of subsidiaries acquired, or sold, during the year are consolidated from the effective date of acquisition and up to the effective date of disposal, as appropriate.
- The Consolidated financial statements are prepared using uniform accounting policies consistently for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Group's Standalone Financial Statements except otherwise stated. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's Significant Accounting Policies.
- The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31 March. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so. In any case, the difference between the date of the subsidiary's financial statements from parent, the difference shall not be more than three months.
- Combine the financial statements of parent and its subsidiaries line by line adding together items

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

like assets, liabilities, equity, income, expenses. Intercompany transactions, balances and unrealized gains on transactions between Group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with Group's accounting policies. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

- (e) Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.
  - (f) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.
  - (g) Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests (if any), even if this results in the non-controlling interests having a deficit balance.
- (d) Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Where the accounting policies of joint ventures are different from those of the Group, appropriate adjustments are made for like transactions and events in similar circumstances to ensure conformity with the policies adopted by the Group.
  - (e) Any gain or loss on dilution arising on a reduced stake in the joint venture, but still retaining the joint control, is recognized in the Statement of Profit and Loss.
  - (f) When the investment ceases to be a joint venture and the retained interest is a financial asset, the Group measures the retained interest at fair value with the change in carrying amount recognised in the Statement of Profit and Loss. The fair value of the retained interest becomes the initial carrying amount for the purpose of accounting for the retained interest as an associate or as a financial asset. Any amounts previously recognised in other comprehensive income in respect of that joint venture are reclassified to the Statement of Profit and Loss.
  - (g) With respect to consolidation of OAT and IIL India Laboratories Private Limited, the Group has considered the ownership ratio of 20% as prescribed in the joint venture agreement for recognising its share of profits/losses.

### Joint venture

- (a) A joint venture is a joint arrangement whereby parties that have joint control of the arrangement have rights to the net assets of the arrangement. Interests in joint ventures are initially recognised at cost and thereafter accounted for using the equity method.
- (b) Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses and other comprehensive income of the investee in the Statement of Profit and Loss and Other Comprehensive Income of the Group, respectively. Dividends received or receivable from joint ventures are recognised as a reduction in the carrying amount of the investment.
- (c) When the Group's share of losses in a joint venture equals or exceeds its investment in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint venture.

### 2.3. Summary of material accounting policies

#### (a) Investment in subsidiaries and joint venture

A subsidiary is an entity that is controlled by another entity.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The Group's investments in its subsidiaries and joint venture are accounted at cost less impairment.

#### Impairment of investments

The Group reviews its carrying value of investments carried at cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is recorded in the Statement of Profit and Loss.

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

### (b) Revenue recognition

#### Revenue from Contracts with Customers

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

#### Revenue is stated exclusive of Goods and Service Tax (GST).

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in Note 33.

The specific recognition criteria described below must also be met before revenue is recognised.

#### Sales of goods

Revenue from the sale of goods is recognised at the point in time when control is transferred to the customer which is usually on shipment. Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, rebates, scheme allowances, price concessions, incentives, and returns, if any, as specified in the contracts with the customers. Revenue excludes taxes collected from customers on behalf of the government. Accruals for discounts/incentives and returns are estimated (using the most likely method) based on accumulated experience and underlying schemes and agreements with customers. Due to the short nature of credit period given to customers, there is no financing component in the contract.

#### Rendering of services

Revenue from sale of services is recognised over the period of time as per the terms of the contract with customers based on the stage of completion when the outcome of the transactions involving rendering of services can be estimated reliably.

#### In respect of Company's Joint Venture

Revenue from Research & Development services are recognized when services are rendered, and related cost is incurred over a period of time.

### Contract balances

#### Trade receivables

A receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (o) financial instruments.

#### Contract liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

### Other income

#### Interest Income

For all financial instruments measured either at amortised cost or fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Group 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. Interest income is included in other income in the Statement of Profit and Loss.

#### Dividends

Revenue is recognised when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

### (c) Property, plant and equipment

Items of property, plant and equipment and capital work-in progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. Such cost includes the cost of replacing part

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in Statement of Profit and Loss as incurred. In respect of additions to /deletions from the property, plant and equipment, depreciation is provided on pro-rata basis with reference to the date of addition/ deletion of the assets.

The Group, based on technical assessment made by technical expert and management estimate, depreciates certain items of plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. Depreciation on remaining items of property, plant & equipment has been provided on Straight Line Method based on useful life of the assets as prescribed in Schedule II of the Companies Act, 2013. Furthermore, the Group considers climate-related matters, including physical and transition risks. Specifically, the Group determines whether climate-related legislation and regulations might impact either the useful life or residual values.

Estimated useful lives of the assets are as follows:

Nature of Tangible Assets	Useful Life (years)
Plant & Equipments	10 – 15
Building	30
Laboratory Equipments	10
Office Equipments	5
Furniture, Fixtures & Equipments	10
Vehicles	8-10
Leasehold improvements	Over the period of lease or useful life whichever is lower

An item of property, plant and equipment 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 the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

### (d) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets with finite life are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Intangible asset are amortized on a straight line basis over the estimated useful economic life

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. changes in the expected useful life or teh expected pattern of Consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method , as appropriate ,and are treated as chnages in accounting estimates . The amortisation expense intangible assets with finite lives is recognised inthe statement of profit and loss unless such expenditure forms part of carrying valu of another asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Group can demonstrate technical and commercial feasibility of making the asset available for use or sale.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

is recognised in the Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset.

A summary of the policies applied to the Group's intangible assets is as follows:-

Intangible assets	Useful Life (years)	Amortisation method used
Computer Software	8	Amortised on straight-line basis
Websites	2	Amortised on straight-line basis
Patents, trademarks and designs	10	Amortised on straight-line basis

### (e) Investment Properties

Investment properties are properties held for rental, capital appreciation or the purpose of future use is not yet determined by the management as of the reporting date. Investment properties are measured initially at cost, including transaction costs. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the asset will flow to the Group. All other repair and maintenance costs are recognized in Statement of profit and loss as incurred.

Investment properties are subsequently measured at cost less accumulated depreciation and accumulated impairment losses, if any. Though the Group measures investment properties using cost-based measurement, the fair value of investment properties are disclosed in the notes. Fair values are determined based on the evaluation performed by the management based on the acceptable valuation method.

Investment properties are de-recognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds, if any, and the carrying amount of the asset is recognized in the Statement of profit and loss in the period of de-recognition.

The Group depreciates building component of investment property over 30 years from the date of original purchase.

Transfers are made to (or from) investment properties only when there is a change in use. Transfers between investment property, owner-occupied property and inventories do not change the carrying amount of the property transferred and they do not change the cost of that property for measurement or disclosure purposes.

### (f) Foreign currencies

#### Transactions and Balances

Transactions in foreign currency are recorded applying the exchange rate at the date of transaction. Monetary assets and liabilities denominated in foreign currency remaining unsettled at the end of the year, are translated at the closing rates prevailing on the Balance Sheet date. Non-monetary items which are carried in terms of historical cost denominated in foreign currency are reported using the exchange rate at the date of transaction. Exchange differences arising as a result of the above are recognized as income or expenses in the Statement of Profit and Loss. Exchange difference arising on the settlement of monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or expenses in the year in which they arise.

Foreign exchange difference on foreign currency borrowings, settlement gain/loss and fair value gain/loss on derivative contract relating to borrowings are accounted and disclosed under finance cost. Such exchange difference does not include foreign exchange difference regarded as an adjustment to the borrowings cost and capitalised with cost of assets.

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities are translated at the closing rate at the date of that balance sheet
- Income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

- All resulting exchange differences are recognized in OCI.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities are recognized in OCI. The associated exchange differences are reclassified to profit or loss, as part of the gain or loss on disposal of the net investment

### (g) Fair value measurement

The Group measures financial instruments, such as, derivatives and equity investments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Quantitative disclosures of fair value measurement hierarchy (note 35)
- Financial instruments (including those carried at amortised cost) (note 8, 12, 16 and 19)

### (h) Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

A lease is a contract that contains right to control the use of an identified asset for a period of time in exchange for consideration.

#### Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

The Group has lease contracts for various items of land, office premises, warehouses and vehicles.

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

### i) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Nature of Right-of-use assets	Depreciation period
Office premises	3-5 years
Warehouses	3-5 years
Land	60-198 years

There are renewal terms that can extend the lease term for up to 2 years and are included in the lease term when it is reasonably certain that the Group will exercise the option. The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (I) Impairment of non-financial assets.

The Right-of-use assets are presented as separate line item in the balance sheet.

### ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments.

The lease liabilities are presented as separate line item in the balance sheet under financial liabilities.

### iii) Short-term leases

The Group applies the short-term lease recognition exemption to its short-term leases of office premises, warehouses and vehicles (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option).

Lease payments on short-term leases are recognised as expense on a straight-line basis over the lease term.

### Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in other income in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

### (i) Inventories

The items of inventories are measured at cost after providing for obsolescence, if any. Cost of inventories comprise of cost of purchase, cost of conversion and appropriate portion of variable and fixed proportion overheads and such other costs incurred in bringing them to their respective present location and condition. Fixed production overheads are based on normal capacity of production facilities.



## Notes to Consolidated Financial Statements for the year ended March 31, 2024

Stores and spares, packing materials and raw materials are valued at lower of cost or net realisable value. However, the aforesaid items are not valued below cost if the finished products in which they are to be incorporated are expected to be sold at or above cost.

Semi-finished products, finished products and by-products are valued at lower of cost or net realisable value.

Traded goods are valued at lower of cost and net realizable value.

Cost of raw material, process chemicals, stores and spares packing materials, trading and other products are determined on weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

### (j) Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist

or may have decreased. If such indication exists, the Group estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the Statement of Profit and Loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

The Group assesses whether climate risks, including physical risks and transition risks could have a significant impact. If so, these risks are included in the cash-flow forecasts in assessing value-in-use amounts.

### (k) Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. Provisions are reviewed at each balance sheet and adjusted to reflect the current best estimates.

#### Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

does not recognize a contingent liability but discloses its existence in the financial statements.

### Contingent Assets

A contingent asset is not recognised unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, contingent assets are disclosed in the financial statements.

Contingent liabilities and contingent assets are reviewed at each balance sheet date.

### (l) Retirement and other employee benefits

Provident Fund and Employee State Insurance is a defined contribution scheme established under a State Plan. The contributions to the scheme are charged to the Statement of Profit and Loss in the year when employee rendered related services.

The Group has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on post-employment at 15 days salary (last drawn salary) for each completed year of service as per the rules of the Group. The aforesaid liability is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of the financial year. The scheme is funded with an insurance Group in the form of a qualifying insurance policy.

The Group has other long-term employee benefits in the nature of leave encashment. The liability in respect of leave encashment is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of the financial year. The aforesaid leave encashment is unfunded.

Re-measurement, comprising of actuarial gains and losses, the effect of asset ceiling, excluding amounts included in the net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

### (m) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

### Financial assets

#### Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. All trade receivables do not contain a significant financing component and are measured at transaction price.

#### Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

#### Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade receivables, security deposits & other receivables.

#### Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

### Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Group has designated certain debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

### Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to profit and loss, even on sale of investment.

However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

### Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's consolidated balance sheet) when:

- a) The rights to receive cash flows from the asset have expired, or
- b) The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

### Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance,

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

- b) Financial assets that are debt instruments and are measured as at FVTOCI,
- c) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

The Group follows 'simplified approach' for recognition of impairment loss allowance on Trade and other receivables.

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- a) All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

- b) Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.
- c) Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables:

ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

As a practical expedient, the Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. On that basis, the Group estimates the following provision matrix at the reporting date:

Not due	0-90 days	90-180 days	180-360 days	360-720days	More than 720 days
0.10%	0.20%	0.50%	5.00%	50.00%	100.00%

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss. This amount is reflected under the head 'other expenses' in the Statement of Profit and Loss.

### (n) Financial liabilities

#### Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

The Group's financial liabilities include trade and other payables, loans and borrowings including cash credits and derivative financial instruments.

### Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

#### Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

This category generally applies to borrowings. For more information, refer note 16 and 19.

#### Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

#### Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

### Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

#### (o) Derivative financial instruments

##### Initial recognition and subsequent measurement

The Group uses derivative financial instruments, such as interest rate swaps, currency swaps, options and forward contracts to hedge its interest rate and foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss.

#### (p) Dividend

The Group recognises a liability to make cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

#### (t) Taxes

##### Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

### Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- a) When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences,
- b) In respect of taxable temporary differences associated with interests in subsidiaries and joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

In assessing the recoverability of deferred tax assets, the Group relies on the same forecast assumptions used elsewhere in the financial statements and in other management reports, which, among other things, reflect the potential impact of climate-related development on the business, such as increased cost of production as a result of measures to reduce carbon emission.

Deferred tax relating to items recognised outside Statement of Profit and Loss is recognised outside Statement of Profit and Loss (in other comprehensive income). Deferred tax items are recognised in correlation to the underlying transaction either in Statement of Profit and Loss or in OCI.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

### (r) Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related assets.

### (s) Climate-related matters

The Group considers climate-related matters in estimates and assumptions, where appropriate. This assessment includes a wide range of possible impacts on the Group due to both physical and transition risks. Even though the Group believes its business model and products will still be viable after the transition to a low-carbon economy, climate-related matters increase the uncertainty in estimates and assumptions underpinning several items in the financial statements. Even though climate-related risks might not currently have a significant impact on measurement, the Group is closely monitoring relevant changes and developments, such as new climate-related legislation.

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

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

#### 3(a) Property, plant and equipment

Current reporting period:

Description of assets	GROSS CARRYING AMOUNT			ACCUMULATED DEPRECIATION			NET CARRYING AMOUNT			
	Balance as at April 01, 2023	Addition	Sale / Adjustment	Balance as at March 31, 2024	Balance as at April 01, 2023	Depreciation expense	Disposal / adjustment	Balance as at March 31, 2024	As at March 31, 2023	As at March 31, 2024
Freehold land	104.63	0.05	88.51	16.17	-	-	-	-	16.17	104.63
Buildings*	10,538.25	822.35	151.44	11,209.16	1,866.78	378.10	41.87	2,202.91	9,006.25	8,671.47
Plant and machinery	21,351.45	2,235.36	379.04	23,207.77	8,932.94	1,705.68	175.79	10,462.83	12,744.94	12,418.51
Roads	1,330.39	-	-	1,330.39	1,076.00	153.72	-	1,229.72	100.67	254.39
Office equipments	176.27	30.39	-	206.66	119.88	20.45	-	140.33	66.33	56.39
Furniture & fixtures	243.92	28.75	-	272.67	144.07	22.66	-	166.73	105.94	99.85
Electrical fittings	490.64	7.06	-	497.70	307.72	23.43	-	331.15	166.55	182.92
Computers	271.49	53.80	3.16	322.13	203.83	33.23	2.94	234.12	88.01	67.66
Vehicles	1,753.10	579.82	181.58	2,151.34	628.30	237.27	109.82	755.75	1,395.59	1,124.80
<b>Total</b>	<b>36,260.14</b>	<b>3,757.58</b>	<b>803.73</b>	<b>39,213.99</b>	<b>13,279.52</b>	<b>2,574.54</b>	<b>330.42</b>	<b>15,523.54</b>	<b>23,690.45</b>	<b>22,980.62</b>

\* Reclassified to investment property, Gross Block - INR 151.44 Accumulated Depreciation - INR 41.97

Previous reporting period:

Description of assets	GROSS CARRYING AMOUNT			ACCUMULATED DEPRECIATION			NET CARRYING AMOUNT			
	Balance as at April 01, 2022	Addition	Sale / Adjustment	Balance as at March 31, 2023	Balance as at April 01, 2022	Depreciation expense	Disposal / adjustment	Balance as at March 31, 2023	As at March 31, 2023	As at March 31, 2022
Freehold land	88.51	16.12	-	104.63	-	-	-	-	104.63	88.51
Buildings	9,306.86	1,231.39	-	10,538.25	1,535.30	331.48	-	1,866.78	8,671.47	7,771.56
Plant and machinery	19,759.24	1,602.89	10.68	21,351.45	7,424.84	1,510.75	2.65	8,932.94	12,418.51	12,334.40
Roads	1,330.39	-	-	1,330.39	922.30	153.70	-	1,076.00	254.39	408.09
Office equipments	157.08	19.68	0.49	176.27	102.61	17.66	0.39	119.88	56.39	54.47
Furniture & fixtures	238.36	5.56	-	243.92	120.76	23.31	-	144.07	99.85	117.60
Electrical fittings	472.55	18.09	-	490.64	281.83	25.89	-	307.72	182.92	190.72
Computers	256.21	15.60	0.32	271.49	175.30	28.74	0.21	203.83	67.66	80.91
Vehicles	1,568.68	355.52	171.10	1,753.10	529.18	198.49	99.37	628.30	1,124.80	1,039.50
<b>Total</b>	<b>33,177.88</b>	<b>3,264.85</b>	<b>182.59</b>	<b>36,260.14</b>	<b>11,092.12</b>	<b>2,290.02</b>	<b>102.62</b>	<b>13,279.52</b>	<b>22,980.62</b>	<b>22,085.76</b>

Note:-

- Contractual obligations** - Refer to note 42 for disclosure of contractual commitments for the acquisition of property, plant and equipment.
- Assets charged against borrowings** - Refer note 45 for property, plant and equipment pledged as security against current and non-current borrowings.

### 3(b) Capital Work In Progress

Cost	Amount
<b>As at April 1, 2022</b>	8,576.95
Additions	5,813.91
Capitalised during the year	(2,645.47)
<b>As at March 31, 2023</b>	11,745.39
<b>As at April 1, 2023</b>	11,745.39
Additions	4,504.70
Capitalised during the year	(2,709.77)
<b>As at March 31, 2024</b>	13,540.32

#### CWIP Aging Schedule:

##### As at March 31, 2024

CWIP	Amount in CWIP for a period of				Total
	Less than 1 yr.	1-2 yrs.	2-3 yrs.	More than 3 yrs.	
Projects in progress	4,007.00	3,509.31	3,925.88	2,098.13	13,540.32
Projects temporarily suspended	-	-	-	-	-

#### CWIP Aging Schedule:

##### As at March 31, 2023

CWIP	Amount in CWIP for a period of				Total
	Less than 1 yr.	1-2 yrs.	2-3 yrs.	More than 3 yrs.	
Projects in progress	4,358.40	4,995.40	3,925.88	1,149.39	11,745.39
Projects temporarily suspended	-	-	-	-	-

#### Note:-

**Capital work-in-progress** - Capital work-in-progress majorly comprises expenditure in the course of construction at Dahej, Behror and Chopanki Technical Plant.

### 4 Investment Properties

Description	GROSS CARRYING AMOUNT				ACCUMULATED DEPRECIATION				NET CARRYING AMOUNT	
	Opening	Additions	Disposals	Closing	Opening	Additions	Disposals	Closing	As at	As at
									March 31, 2024	March 31, 2023
Building	-	109.47	-	109.47	-	-	-	-	109.47	-
Land	86.84	1.00	-	87.84	-	-	-	-	87.84	86.84
<b>Total</b>	<b>86.84</b>	<b>110.47</b>	<b>-</b>	<b>197.41</b>	<b>-</b>	<b>0.10</b>	<b>-</b>	<b>0.10</b>	<b>197.31</b>	<b>86.84</b>

#### Note:-

- (i). During the year, the Group has reclassified a building from Property, Plant and Equipment to Investment Property as the building is let out for 36 months (refer note 43(c)) and the future use of building is undetermined.

The reclassification has been accounted for prospectively, and the building will now be accounted for in accordance with the measurement and disclosure requirements of Investment Property as outlined in the Group's accounting policies.



## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

- (ii). Information regarding income and expenditure of Investment Properties:

Particulars	As at March 31, 2024	As at March 31, 2023
Rental income derived from Investment Properties	0.85	-
Direct operating expenses from property that generated rental income	-	-
<b>Profit from investment properties before depreciation</b>	<b>0.85</b>	<b>-</b>
Depreciation charge	0.10	-
<b>Profit from investment properties</b>	<b>0.75</b>	<b>-</b>

- (iii). Fair Value of investment properties:

The fair value of investment property has been determined by the management using the prevailing circle rates applicable to the same location and are considered to be a fair representation at which such properties can be sold in an active market. The Group has not used the services of a registered valuer in accordance with rule 2 of Companies (Registered valuer and valuation) Rules, 2017) for the valuation of the investment property.

Description of item of properties	Fair Value as at 31st March, 2024
Building - Mumbai	109.47
Land	87.84

- (iv). On transfer, the Group has elected to continue with the carrying value of Investment property measured as earlier and use the carrying value as the deemed cost of Investment property.

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

### 5 Right-of-Use Assets

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

#### Current reporting period:

Description of assets	GROSS CARRYING AMOUNT			ACCUMULATED AMORTISATION			NET CARRYING AMOUNT		
	Balance as at April 01, 2023	Additions / Modifications during the year	Disposal / Derecognition during the year	Balance as at March 31, 2024	Balance as at April 01, 2023	Depreciation expense	Disposal / Derecognition during the year	Balance as at March 31, 2024	As at March 31, 2023
Land	2,241.89	1,354.22	-	3,596.11	61.48	27.21	-	88.69	2,180.41
Office Premises	92.19	49.89	46.41	95.67	50.50	28.24	43.36	35.38	41.69
Warehouses	585.06	180.72	98.27	667.51	309.87	179.51	98.26	391.12	275.19
<b>Total</b>	<b>2,919.14</b>	<b>1,584.83</b>	<b>144.68</b>	<b>4,359.29</b>	<b>421.85</b>	<b>234.96</b>	<b>141.62</b>	<b>515.19</b>	<b>2,497.29</b>

#### Previous reporting period:

Description of assets	GROSS CARRYING AMOUNT			ACCUMULATED AMORTISATION			NET CARRYING AMOUNT		
	Balance as at April 01, 2022	Additions / Modifications during the year	Disposal / Derecognition during the year	Balance as at March 31, 2023	Balance as at April 01, 2022	Depreciation expense	Disposal / Derecognition during the year	Balance as at March 31, 2023	As at March 31, 2022
Land	2,241.89	-	-	2,241.89	45.83	15.65	-	61.48	2,196.06
Office Premises	147.23	20.58	75.62	92.19	50.85	33.66	34.01	50.50	96.38
Warehouses	574.52	190.63	180.09	585.06	271.12	168.74	129.99	309.87	303.40
<b>Total</b>	<b>2,963.64</b>	<b>211.21</b>	<b>255.71</b>	<b>2,919.14</b>	<b>367.80</b>	<b>218.05</b>	<b>164.00</b>	<b>421.85</b>	<b>2,595.84</b>

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

Other intangible assets and intangible assets under development

### 6(a) Other intangible assets

Current reporting period:

Description of assets	GROSS CARRYING AMOUNT			ACCUMULATED AMORTISATION			NET CARRYING AMOUNT	
	Balance as at April 01, 2023	Addition	Sale / Adjustment	Balance as at March 31, 2024	Amortisation expense	Disposal / adjustment	Balance as at March 31, 2024	As at March 31, 2023
Software	174.42	-	-	174.42	21.67	-	88.58	107.51
Website	-	-	-	-	-	-	-	-
Patents, trademarks and designs	857.39	124.46	-	981.85	93.85	-	363.51	587.73
<b>Total</b>	<b>1,031.81</b>	<b>124.46</b>	<b>-</b>	<b>1,156.27</b>	<b>115.52</b>	<b>-</b>	<b>452.09</b>	<b>695.24</b>

Previous reporting period:

Description of assets	GROSS CARRYING AMOUNT			ACCUMULATED AMORTISATION			NET CARRYING AMOUNT	
	Balance as at April 01, 2023	Addition	Sale / Adjustment	Balance as at March 31, 2024	Amortisation expense	Disposal / adjustment	Balance as at March 31, 2024	As at March 31, 2023
Software	132.92	41.50	-	174.42	21.44	-	66.91	87.45
Website	1.00	-	1.00	0.60	0.40	1.00	-	0.40
Patents, trademarks and designs	721.41	139.64	3.66	857.39	80.27	3.66	269.66	528.36
<b>Total</b>	<b>855.33</b>	<b>181.14</b>	<b>4.66</b>	<b>1,031.81</b>	<b>102.11</b>	<b>4.66</b>	<b>336.57</b>	<b>616.21</b>

## 6(b) Intangible assets under development\*

Particulars	Amount
<b>As at April 1, 2022</b>	<b>520.62</b>
Additions	208.86
Capitalised during the year	(168.64)
<b>As at March 31, 2023</b>	<b>560.84</b>
<b>As at April 1, 2023</b>	<b>560.84</b>
Additions	208.48
Capitalised during the year	(124.45)
<b>As at March 31, 2024</b>	<b>644.87</b>

\* Intangible assets under development mainly comprises software under development and patents for which registration is awaited.

### Intangible assets under development aging schedule:

#### Current reporting period:

Intangible Assets under Development	Amount in CWIP for a period of				Total
	Less than 1 yr.	1-2 yrs.	2-3 yrs.	More than 3 yrs.	
Projects in progress	208.48	187.41	8.80	240.18	644.87
Projects temporarily suspended	-	-	-	-	-

### Intangible assets under development aging schedule:

#### Previous reporting period:

Intangible Assets under Development	Amount in CWIP for a period of				Total
	Less than 1 yr.	1-2 yrs.	2-3 yrs.	More than 3 yrs.	
Projects in progress	195.57	15.58	78.27	271.42	560.84
Projects temporarily suspended	-	-	-	-	-

## 7 Investment in joint venture

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Investment in joint venture *</b>		
<b>Investment in unquoted equity shares - Fully paid-up - At cost</b>		
795,000 (March 31, 2023: 795,000) Equity shares of OAT & IIL India Lab.(P) Ltd. at INR 100 each	1,101.10	1,061.22
<b>Total</b>	<b>1,101.10</b>	<b>1,061.22</b>

\* Refer note 38

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

### 8 Financial assets - non-current

#### 8(a) Investments

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Investments stated at fair value through OCI</b>		
<b>Investments in equity instruments - quoted (fully paid) - Listed at Tokyo</b>		
<b>Stock Exchange</b>		
72,800 (March 31, 2023: 72,800) equity shares of OAT Agro Co. Ltd. (Co-venturer of Joint venture company)	852.89	631.80
<b>Total</b>	<b>852.89</b>	<b>631.80</b>
Aggregate book value of quoted investments	852.89	631.80
Aggregate market value of quoted investments	852.89	631.80

#### 8(b) Other financial assets

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Measured at amortised cost (Unsecured, considered good unless otherwise stated)</b>		
Deposit accounts with banks having remaining maturity more than twelve months	135.17	37.04
Interest accrued on fixed deposit with banks	0.43	-
Security deposits	205.88	168.62
<b>Total</b>	<b>341.48</b>	<b>205.66</b>

### 9 Income tax assets (net)

Particulars	As at March 31, 2024	As at March 31, 2023
Advance income tax	683.89	2,628.84
[Net of provision for tax INR 3,429.06 (March 31, 2023: INR 2,123.47)]		
<b>Total</b>	<b>683.89</b>	<b>2,628.84</b>

### 10 Other non-current assets

Particulars	As at March 31, 2024	As at March 31, 2023
<b>(Unsecured, considered good unless otherwise stated)</b>		
<b>Capital advances</b>		
- to related parties (refer note 40)	213.26	203.26
- to others	350.57	2,732.21
<b>Advances other than capital advances</b>		
Balances with government authorities	364.95	369.44
Prepaid expenses	1.45	11.98
<b>Total</b>	<b>930.23</b>	<b>3,316.89</b>

## 11 Inventories

Particulars	As at March 31, 2024	As at March 31, 2023
<b>At the lower of cost and net realisable value</b>		
Raw material {(INR 1,143.44 (March 31, 2023: NIL) in transit)}	27,673.21	35,560.59
Packing material	1,884.05	2,157.30
Work-in-progress	9,642.21	8,797.17
Stock-in-trade (Traded goods) {(INR 0.54 (March 31, 2023: NIL) in transit)}	1,556.67	1,712.16
Finished goods (Manufactured) {(INR 1.66 (March 31, 2023: INR 1.64) in transit)}	39,734.07	37,821.26
Stores, Scrap material, Spares Parts & Fuel	202.00	123.59
<b>Total</b>	<b>80,692.21</b>	<b>86,172.07</b>

## 12 Financial assets - current

### 12(a) Trade Receivables

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Trade receivables</b>		
- related parties (refer note 40)	43.66	474.00
- others	31,382.06	30,637.14
Less: Allowance for expected credit losses	(1,758.90)	(1,486.70)
<b>Total (refer note 48)</b>	<b>29,666.82</b>	<b>29,624.44</b>

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Breakup of Trade Receivables</b>		
Unsecured, considered good	29,666.82	29,624.44
Credit Impaired	1,758.90	1,486.70
<b>Subtotal</b>	<b>31,425.72</b>	<b>31,111.14</b>
Allowance for expected credit losses (refer note 36)	(1,758.90)	(1,486.70)
<b>Total</b>	<b>29,666.82</b>	<b>29,624.44</b>

Particulars	As at March 31, 2024	As at March 31, 2023
(a) No trade or other receivable are due from directors or other officers of the Group either severally or jointly with any other person.	-	-
(b) Trade or Other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member, refer note 40.	-	11.21
(c) Trade receivables are non-interest bearing and are generally on terms of 90 to 180 days.		
(d) For explanations on the Group's credit risk management processes, refer note 36.		

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

### Trade receivable aging schedule

#### As at March 31, 2024

Particulars	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables- considered good	17,350.30	10,851.09	1,214.42	481.54	149.49	118.11	30,164.95
(ii) Undisputed Trade Receivables- considered doubtful	-	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	128.26	4.58	41.32	1,086.61	1,260.77
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-	-
<b>Gross carrying amount</b>	<b>17,350.30</b>	<b>10,851.09</b>	<b>1,342.68</b>	<b>486.12</b>	<b>190.81</b>	<b>1,204.72</b>	<b>31,425.72</b>
Allowance for expected credit losses	(17.27)	(35.91)	(67.13)	(243.06)	(190.81)	(1,204.72)	(1,758.90)
<b>Net carrying amount</b>	<b>17,333.03</b>	<b>10,815.18</b>	<b>1,275.55</b>	<b>243.06</b>	<b>-</b>	<b>-</b>	<b>29,666.82</b>

#### As at March 31, 2023

Particulars	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables- considered good	20,685.51	8,567.03	260.16	310.15	30.53	130.96	29,984.34
(ii) Undisputed Trade Receivables- considered doubtful	-	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	0.83	27.89	106.06	992.02	1,126.80
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-	-
<b>Gross carrying amount</b>	<b>20,685.51</b>	<b>8,567.03</b>	<b>260.99</b>	<b>338.04</b>	<b>136.59</b>	<b>1,122.98</b>	<b>31,111.14</b>
Allowance for expected credit losses	(20.63)	(24.43)	(13.05)	(169.02)	(136.59)	(1,122.98)	(1,486.70)
<b>Net carrying amount</b>	<b>20,664.88</b>	<b>8,542.60</b>	<b>247.94</b>	<b>169.02</b>	<b>-</b>	<b>-</b>	<b>29,624.44</b>

There are no unbilled receivables, hence the same is not disclosed in the ageing schedule.

## 12(b) Cash and cash equivalents

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with banks		
In current accounts*	2,011.09	1,855.15
Cash on hand**	11.56	7.66
Deposit accounts with original maturity upto three months	4,102.02	-
<b>Total</b>	<b>6,124.67</b>	<b>1,862.81</b>

## 12(c) Other bank balances

Particulars	As at March 31, 2024	As at March 31, 2023
In earmarked accounts		
Unpaid dividend	5.45	5.23
Balances with banks		
On deposit accounts with remaining maturity less than twelve months	10.38	101.36
<b>Total</b>	<b>15.83</b>	<b>106.59</b>

## 12(d) Loans

Particulars	Interest rate	As at March 31, 2024	As at March 31, 2023
<b>Unsecured, considered good</b>			
Loans to employees		14.39	19.23
<b>Total</b>		<b>14.39</b>	<b>19.23</b>

### Note:-

Loans due from directors or other officers of the Group at the end of the period.

## 12(e) Other financial assets

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Measured at fair value through profit and loss</b>		
Derivative assets	20.62	43.27
<b>Measured at amortised cost (unsecured, considered good)</b>		
Dividend receivable	18.68	17.20
Insurance claim recoverable	179.36	-
Litigation charges recoverable	19.60	19.60
Export incentive recoverable	9.51	9.33
<b>Total</b>	<b>247.77</b>	<b>89.40</b>



## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

### 13 Other current assets

Particulars	As at March 31, 2024	As at March 31, 2023
<b>(Unsecured, considered good unless otherwise stated)</b>		
Advances to suppliers		
- to related parties (refer note 40)	-	209.20
- to others	1,327.49	699.86
Advances to employees	14.70	14.39
Balances with government authorities	6,283.63	4,053.40
Prepaid expenses	431.38	369.39
<b>Total</b>	<b>8,057.20</b>	<b>5,346.24</b>
Advance due from directors or other officers at the end of the year	Nil	Nil
Advance due by firms or private companies in which any director of the Group is a director or member	Nil	Nil

### 14 Equity share capital

Particulars	Number of shares	INR
<b>Authorised share capital</b>		
<b>As at April 1, 2022</b>	<b>2,50,00,000</b>	<b>2,500.00</b>
Increase/(decrease) during the year	1,00,00,000	1,000.00
<b>At March 31, 2023</b>	<b>3,50,00,000</b>	<b>3,500.00</b>
<b>As at April 1, 2023</b>	<b>3,50,00,000</b>	<b>3,500.00</b>
Increase/(decrease) during the year	-	-
<b>At March 31, 2024</b>	<b>3,50,00,000</b>	<b>3,500.00</b>
<b>Issued equity share capital</b>		
Equity shares of INR 10 each issued, subscribed and fully paid.		
<b>As at April 1, 2022</b>	<b>1,97,31,891</b>	<b>1,973.19</b>
Issue of bonus shares during the year	98,65,946	986.59
<b>At March 31, 2023</b>	<b>2,95,97,837</b>	<b>2,959.78</b>
<b>As at April 1, 2023</b>	<b>2,95,97,837</b>	<b>2,959.78</b>
Issue of bonus shares during the year	-	-
<b>At March 31, 2024</b>	<b>2,95,97,837</b>	<b>2,959.78</b>

**(a) Rights, preferences and restrictions attached to shares:**

The Group has only one class of equity shares having face value of INR 10/- per share. Each shareholder is eligible for one vote per share held. In the event of liquidation of the Group, the equity shareholders are eligible to receive the remaining assets of the Group after distribution of all preferential amount, in proportion to their shareholding.

**(b) Increase in Authorised Share Capital:**

During the financial year 2022-23, the authorised share capital of the Group has been increased from INR 2500 Lacs consisting of 2,50,00,000 equity shares of face value of INR 10/- each to INR 3500 Lacs consisting of 3,50,00,000 equity shares of face value of INR 10/- each. During the financial year 2023-24, there is no change in authorised share capital.

**(c) Aggregate number of equity shares issued as bonus during the period of five years immediately preceding the reporting date**

During the financial year 2022-23, the Group has allotted 98,65,946 equity shares of face value of INR 10/- each as bonus shares in the proportion of One bonus equity share of face value of INR 10/- for every Two equity share of face value of INR 10/- held as on the record date, by capitalising an amount of INR 986.59 from securities premium. The bonus shares were listed on BSE Limited and National Stock Exchange of India Limited w.e.f. October 17, 2022.

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

(d) The details of Shareholders holding more than 5% shares:

Name of the Shareholder	As at March 31, 2024		As at March 31, 2023	
	Number of Shares	% Held	Number of Shares	% Held
Rajesh Kumar Aggarwal	49,12,680	16.60	19,83,180	6.70
Nikunj Aggarwal	46,87,500	15.84	46,87,500	15.84
Sanskar Aggarwal	43,52,700	14.71	43,52,700	14.71
Hari Chand Aggarwal	36,26,100	12.25	13,85,100	4.68
Pushpa Aggarwal	32,27,850	10.91	32,27,850	10.91
Rajesh Aggarwal (HUF)	-	-	29,29,500	9.90
HDFC Small Cap Fund	26,01,000	8.79	26,01,000	8.79
Hari Chand Aggarwal (HUF)	-	-	22,41,000	7.57

Details of shares held by promoters\*

As at March 31, 2024

Particulars	Promoter Name	No. of Shares at the beginning of the year	Change during the year	No. of Shares at the end of the year	% of total Shares	% Change during the year**
Equity shares of INR 10 each fully paid	Nikunj Aggarwal	46,87,500	-	46,87,500	15.84%	0.00%
Equity shares of INR 10 each fully paid	Sanskar Aggarwal	43,52,700	-	43,52,700	14.71%	0.00%
Equity shares of INR 10 each fully paid	Pushpa Aggarwal	32,27,850	-	32,27,850	10.91%	0.00%
Equity shares of INR 10 each fully paid	Rajesh Aggarwal (HUF)	29,29,500	(29,29,500)	-	0.00%	-9.90%
Equity shares of INR 10 each fully paid	Hari Chand Aggarwal (HUF)	22,41,000	(22,41,000)	-	0.00%	-7.57%
Equity shares of INR 10 each fully paid	Rajesh Kumar Aggarwal	19,83,180	29,29,500	49,12,680	16.60%	9.90%
Equity shares of INR 10 each fully paid	Hari Chand Aggarwal	13,85,100	22,41,000	36,26,100	12.25%	7.57%
Equity shares of INR 10 each fully paid	Isec Organics Limited	3,81,825	-	3,81,825	1.29%	0.00%
Equity shares of INR 10 each fully paid	Kritika Aggarwal	1,68,750	-	1,68,750	0.57%	0.00%
<b>Total</b>		<b>2,13,57,405</b>	<b>-</b>	<b>2,13,57,405</b>	<b>72.16%</b>	<b>0.00%</b>

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

As at March 31, 2023

Particulars	Promoter Name	No. of Shares at the beginning of the year	Change during the year	No. of Shares at the end of the year	% of total Shares	% Change during the year**
Equity shares of INR 10 each fully paid	Nikunj Aggarwal	31,25,000	15,62,500	46,87,500	15.84%	0.00%
Equity shares of INR 10 each fully paid	Sanskar Aggarwal	29,01,800	14,50,900	43,52,700	14.71%	0.00%
Equity shares of INR 10 each fully paid	Pushpa Aggarwal	21,51,900	10,75,950	32,27,850	10.91%	0.00%
Equity shares of INR 10 each fully paid	Rajesh Aggarwal (HUF)	19,53,000	9,76,500	29,29,500	9.90%	0.00%
Equity shares of INR 10 each fully paid	Hari Chand Aggarwal (HUF)	14,94,000	7,47,000	22,41,000	7.57%	0.00%
Equity shares of INR 10 each fully paid	Rajesh Kumar Aggarwal	13,22,120	6,61,060	19,83,180	6.70%	0.00%
Equity shares of INR 10 each fully paid	Hari Chand Aggarwal	9,23,400	4,61,700	13,85,100	4.68%	0.00%
Equity shares of INR 10 each fully paid	Isec Organics Limited	2,54,550	1,27,275	3,81,825	1.29%	0.00%
Equity shares of INR 10 each fully paid	Kritika Aggarwal	1,12,500	56,250	1,68,750	0.57%	0.00%
<b>Total</b>		<b>1,42,38,270</b>	<b>71,19,135</b>	<b>2,13,57,405</b>	<b>72.16%</b>	<b>0.00%</b>

\* Promoter here means promoter as defined in the Companies Act, 2013.

\*\* Percentage change shall be computed with respect to the percentage of shareholding at the end and beginning of the year.

### 15 Other equity

#### a) Reserves and surplus

Particulars	As at March 31, 2024	As at March 31, 2023
Retained earnings	91,180.57	81,825.76
Securities premium	3,597.79	3,597.79
General reserve	3,107.93	3,107.93
Capital redemption reserve	93.59	93.59
<b>Total reserves and surplus</b>	<b>97,979.88</b>	<b>88,625.07</b>

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>(i) Retained earnings</b>		
Opening balance	81,825.76	77,043.41
Profit for the year	10,236.52	6,321.12
Items that will not be reclassified subsequently to profit or loss		
Remeasurements of the net defined benefit plans, net of tax	6.22	(53.60)
Transaction cost of issue of share capital	-	(5.28)
Final dividend paid during the year	-	(591.96)
Interim dividend paid during the year	(887.93)	(887.93)
<b>Closing balance</b>	<b>91,180.57</b>	<b>81,825.76</b>
<b>(ii) Securities premium</b>		
Opening balance	3,597.79	4,584.38
Issue of bonus shares	-	(986.59)
<b>Closing balance</b>	<b>3,597.79</b>	<b>3,597.79</b>
<b>(iii) General reserve</b>		
Opening balance	3,107.93	3,107.93
Add: Appropriations	-	-
<b>Closing balance</b>	<b>3,107.93</b>	<b>3,107.93</b>
<b>(iv) Capital redemption reserve</b>		
Opening balance	93.59	93.59
Add: Appropriations	-	-
<b>Closing balance</b>	<b>93.59</b>	<b>93.59</b>
<b>Total reserves and surplus</b>	<b>97,979.88</b>	<b>88,625.07</b>

### b) Other reserves

Particulars	As at March 31, 2024	As at March 31, 2023
Equity instruments through other comprehensive income	413.70	244.12
Foreign currency translation reserve	-	-
<b>Total other reserves</b>	<b>413.70</b>	<b>244.12</b>

Particulars	As at March 31, 2024	As at March 31, 2023
<b>i) Equity instruments through other comprehensive income</b>		
Opening balance	244.12	158.62
Change in fair value of equity instruments, net of tax *	169.58	85.50
<b>Closing balance</b>	<b>413.70</b>	<b>244.12</b>
<b>(ii) Foreign currency translation reserve</b>		
Opening balance	-	-
Add: Appropriations	-	-
<b>Closing balance</b>	<b>-</b>	<b>-</b>
The disaggregation of changes in OCI by each type of reserves in equity is disclosed in Note 32.		
<b>Total other equity</b>	<b>98,393.58</b>	<b>88,869.19</b>

\* The disaggregation of changed in OCI by each type of reserves in equity is disclosed in Note 32

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

### Nature and purpose of reserves

- a) **Retained earnings** - Retained earnings is used to represent the accumulated net earnings of the Group after accounting for dividends or other distributions to the investors of the Group as per the provisions of the Companies Act, 2013.
- b) **Securities premium** - Where the Group issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of the premium received on those shares shall be transferred to "Securities Premium". The Group may use this reserve for issuing fully paid-up bonus shares, buy-back of shares and for expenses in relation to issue of shares.
- c) **General reserve** - General Reserve is created out of the profits earned by the Group by way of transfer from surplus in the statement of profit and loss. The Group can use this reserve for payment of dividend, issue of bonus shares and fully / partly paid-up equity shares. No amount has been transferred to general reserve during the years ended March 31, 2024 & March 31, 2023.
- d) **Capital redemption reserve** - As per the Companies Act, 2013, capital redemption reserve is created when group purchases its own shares out of free reserves or securities premium. A sum equal to the nominal value of the shares so purchased is transferred to capital redemption reserve. The reserve is utilised in accordance with the provisions of section 69 of the Companies Act, 2013.
- e) **Equity instruments through other comprehensive income** - The Group has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVTOCI equity investments reserve within equity. The group transfers amounts from this reserve within equity when the relevant equity securities are derecognised.
- f) **Foreign currency translation reserve** - The exchange differences arising from the translation of financial statements of foreign operations with functional currency other than Indian Rupee is recognised in other comprehensive income and is presented within equity in the foreign currency translation reserve.

## 16 Financial liabilities - Non Current

### 16(a) Borrowings

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Secured</b>		
Indian rupee loan from banks		
FCNR Loans (USD)	3,442.12	-
Vehicle loans	562.53	410.36
<b>Total</b>	<b>4,004.65</b>	<b>410.36</b>
Less: Current maturities of non-current borrowings (included in note 19(a))	1,087.49	224.43
<b>Non-current borrowings</b>	<b>2,917.16</b>	<b>185.93</b>
Loan guaranteed by directors	562.53	410.36

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

### Nature of security and terms of repayment for secured borrowing:

#### Vehicle loans

Term Loans from banks for vehicles have been secured by hypothecation of vehicles. Further, vehicles loans have been guaranteed by the personal guarantee of the directors- Mr. Hari Chand Aggarwal and Mr. Rajesh Kumar Aggarwal. These loans are repayable in 36 monthly instalments from the date of the loans along with interest rates ranging between 7.50% to 9.75% per annum.

#### FCNR Loans (USD)

As at March 31, 2024 outstanding balance for FCNR Loans (USD) is for INR 3,442.12 (including current maturities for INR 800.00). The loan is repayable in 20 equal quarterly instalments starting from July 19, 2023. The INR floating interest rate on loan is 3M T-Bill +1.8% payable monthly.

The loan is secured by first Pari Passu charge on entire movable fixed assets of the Borrower, both present and future except for those specifically charged to other lenders and Second Pari Passu charge on present and future current assets including stocks and book debts of borrower.

The carrying amounts of financial and non-financial assets pledged as security for current and non-current borrowings are disclosed in note 45.

### 16(b) Lease liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Current	179.70	145.86
Non-current	231.35	216.89
<b>Total</b>	<b>411.05</b>	<b>362.75</b>

Set out below are the carrying amounts of lease liabilities and the movements during the period:

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Balance as at beginning of the year</b>	<b>362.75</b>	<b>455.67</b>
Accretion of interest	42.32	45.03
Addition in lease liability	230.61	211.20
Repayment of lease liability	(221.31)	(244.10)
Derecognition of lease liability	(3.32)	(105.05)
<b>Balance as at end of the year</b>	<b>411.05</b>	<b>362.75</b>

The maturity analysis of the lease liability is included in the refer note 36.

The effective interest rate for lease liabilities is 8.50 %, with maturity between 2023-2030

### 17(a) Non current provisions

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Employee benefit provisions</b>		
Provision for gratuity	-	-
Provision for leave encashment	218.42	183.22
<b>Total</b>	<b>218.42</b>	<b>183.22</b>

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

### 17(b) Current provisions

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Employee benefit provisions</b>		
Provision for gratuity	383.18	223.04
Provision for leave encashment	28.03	25.33
<b>Total</b>	<b>411.21</b>	<b>248.37</b>

#### (a) Defined contribution plan

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
During the year, the Group has recognised the following amounts in the Statement of Profit and Loss: (note 26)	559.95	475.40
Employer's contribution to Employee's Provident Fund (including admin charges)	15.09	15.89
Employer's contribution to Employee's State Insurance	575.04	491.29
<b>Total</b>	<b>575.04</b>	<b>491.29</b>

#### (b) Defined benefit plan

##### (i) Gratuity

The Group has a defined benefit for gratuity. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The Group provides for the liability in its books of accounts based on the actuarial valuation by applying the Projected Unit Credit Method. The scheme is funded with an insurance company in the form of a qualifying insurance policy.

The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the respective plans.

The principal assumptions used in determining gratuity benefit obligations for the Group's plan are shown below:	As at March 31, 2024	As at March 31, 2023
Rate of discounting	7.19%	7.39%
Rate of salary increase	8.00%	8.00%
Rate of employee turnover	(For Service 2 years and below-27%); (For Service 3 years to 4 years - 15%); (For Service 5 years and above-8%)	(For Service 2 years and below-27%); (For Service 3 years to 4 years - 15%); (For Service 5 years and above-8%)
Mortality rate during employment	IALM (2012-14)	IALM (2012-14)

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

### Changes in the present value of the defined benefit obligation are as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Opening defined benefit obligation	1,723.74	1,509.20
Interest cost	124.81	102.97
Current service cost	149.12	137.69
Past service cost	-	-
Benefits paid	(81.98)	(57.28)
Actuarial (gain) / loss		
Due to change in Demographic assumptions	-	-
Due to change in financial assumptions	23.47	(51.34)
Due to change in experience	64.43	82.50
<b>Closing defined benefit obligation</b>	<b>2,003.59</b>	<b>1,723.74</b>

### Changes in the Fair Value of Plan Assets are as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Fair value of plan assets at the beginning of the year	1,500.70	1,355.71
Interest income	108.33	92.38
Contributions by the employer	9.00	154.49
Benefits paid	(81.98)	(57.28)
Return on plan assets, excluding interest income	84.36	(44.60)
<b>Fair Value of Plan Assets at the End of the Period</b>	<b>1,620.41</b>	<b>1,500.70</b>

### Reconciliation of fair value of plan assets and defined benefit obligation:

Particulars		As at March 31, 2023
Present value of defined benefit obligation	(2,003.59)	(1,723.74)
Fair value of plan assets	1,620.41	1,500.70
<b>Plan asset / (liability)</b>	<b>(383.18)</b>	<b>(223.04)</b>

### Expenses recognised in profit and loss

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Net interest cost	16.48	10.59
Current service cost	149.12	137.69
Past service cost	-	-
<b>Net expense *</b>	<b>165.60</b>	<b>148.28</b>

\* Includes INR 5.40 (March 31, 2023 - INR 8.31) transfer to Research & Development Expenditure

### Expenses recognised in other comprehensive income

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Actuarial (gain) / loss on defined benefit obligation	87.90	31.16
Return on Plan Assets, excluding Interest Income	(84.36)	44.60
<b>Total expense recognised in statement of other comprehensive income</b>	<b>3.54</b>	<b>75.76</b>



## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

### Major categories of plan assets of the fair value of the total plan assets

Particulars	As at March 31, 2024		As at March 31, 2023	
	Total	In %	Total	In %
Insurance fund	1,613.41	99.57%	1,500.70	100.00%
Cash and Cash Equivalents	7.00	0.43%	-	0.00%
<b>Total</b>	<b>1,620.41</b>	<b>100.00%</b>	<b>1,500.70</b>	<b>100.00%</b>

### A quantitative sensitivity analysis for significant assumption is as shown below:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Defined benefit obligation (base)	2,003.59	1,723.74
Change in discount rate		
Increase by 1%	(111.76)	(95.51)
Decrease by 1%	126.75	108.33
Change in rate of salary increase		
Increase by 1%	115.48	99.83
Decrease by 1%	(106.10)	(92.16)
Change in rate of employee turnover		
Increase by 1%	(8.45)	(5.95)
Decrease by 1%	9.03	6.33

### The following payments are expected contributions to the defined benefit plan in future years:

Particulars	As at March 31, 2024	As at March 31, 2023
Weighted average duration of the defined benefit plan obligation	11 years	11 years
Within next 12 months	377.94	339.60
Between 1 and 5 years	716.05	600.13
Between 5 and 10 years	875.79	731.40
More than 10 years	1,516.72	1,379.49

### (c) Risk exposure

**Interest rate risk:** A fall in the discount rate which is linked to the Government Security 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.

**Asset Liability Matching Risk:** The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

**Mortality risk:** Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

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

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

### 18 Deferred tax liabilities (Net)

Current reporting period:

Particulars	As at April 1, 2023	(Charge)/ Credit to Statement of Profit and Loss	(Charge) /Credit to Other Comprehensive Income	MAT Credit Utilised	As at March 31, 2024
<b>Deferred tax liabilities</b>					
Property, plant and equipment and intangible assets	1,675.45	40.37	-	-	1,715.82
Derivatives	10.89	(5.70)	-	-	5.19
Right-of-use asset	79.75	4.99	-	-	84.74
Investments	74.15	-	51.50	-	125.65
<b>Total deferred tax liabilities</b>	<b>1,840.24</b>	<b>39.66</b>	<b>51.50</b>	<b>-</b>	<b>1,931.40</b>
<b>Deferred tax assets</b>					
Allowance for expected credit losses	(374.16)	(68.51)	-	-	(442.67)
Derivatives	(1.83)	(0.25)	-	-	(2.08)
Borrowings	-	(10.60)	-	-	(10.60)
Lease liabilities	(90.38)	(9.54)	-	-	(99.92)
Employee benefit provisions	(108.63)	(48.95)	(0.89)	-	(158.47)
Expense allowed on payment/actual basis	-	(202.50)	-	-	(202.51)
Unabsorbed Losses	(0.14)	(11.84)	-	-	(11.98)
Others	(0.03)	-	-	-	(0.03)
<b>Total deferred tax assets</b>	<b>(575.17)</b>	<b>(352.19)</b>	<b>(0.89)</b>	<b>-</b>	<b>(928.26)</b>
<b>Net deferred tax liabilities</b>	<b>1,265.07</b>	<b>(312.53)</b>	<b>50.61</b>	<b>-</b>	<b>1,003.14</b>

Previous reporting period:

Particulars	As at April 1, 2023	(Charge)/ Credit to Statement of Profit and Loss	(Charge) /Credit to Other Comprehensive Income	MAT Credit Utilised	As at March 31, 2024
<b>Deferred tax liabilities</b>					
Property, plant and equipment and intangible assets	1,673.25	2.20	-	-	1,675.45
Derivatives	21.16	(10.27)	-	-	10.89
Right-of-use asset	100.62	(20.87)	-	-	79.75
Investments	48.18	-	25.97	-	74.15
<b>Total deferred tax liabilities</b>	<b>1,843.21</b>	<b>(28.94)</b>	<b>25.97</b>	<b>-</b>	<b>1,840.24</b>
<b>Deferred tax assets</b>					
Allowance for expected credit losses	(367.79)	(6.37)	-	-	(374.16)
Derivatives	-	(1.83)	-	-	(1.83)
Lease liabilities	(111.18)	20.80	-	-	(90.38)
Employee benefit provisions	(85.01)	(4.55)	(19.07)	-	(108.63)
Unabsorbed Losses	-	(0.14)	-	-	(0.14)
Others	-	(0.03)	-	-	(0.03)
<b>Total deferred tax assets</b>	<b>(563.98)</b>	<b>7.88</b>	<b>(19.07)</b>	<b>-</b>	<b>(575.17)</b>
<b>Net deferred tax liabilities</b>	<b>1,279.23</b>	<b>(21.06)</b>	<b>6.90</b>	<b>-</b>	<b>1,265.07</b>

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Reconciliation of deferred tax assets (net):	As at March 31, 2024	As at March 31, 2023
<b>Opening balance as of 1 April</b>	<b>1,265.07</b>	<b>1,279.23</b>
Tax income/(expense) during the period recognised in profit or loss	(312.53)	(21.06)
Tax income/(expense) during the period recognised in OCI	50.61	6.90
<b>Closing balance as at 31 March</b>	<b>1,003.14</b>	<b>1,265.07</b>

### 19 Financial Liabilities - Current

#### 19(a) Borrowings

Particulars	Maturity date	Interest rate	As at March 31, 2024	As at March 31, 2023
<b>Secured</b>				
<b>Working Capital facilities from Banks</b>				
Loans repayable on demand				
Working capital demand loans	Apr-24	7.90% - 8.26%	3,900.00	12,216.38
Cash credit from banks	On demand	10.95%	415.24	3,280.22
Current maturities of non-current borrowings (refer note 16(a))			1,087.49	224.43
<b>Total</b>			<b>5,402.73</b>	<b>15,721.03</b>

Working Capital Loans (Loans repayable on demand & Cash Credit) from banks are secured by first pari passu charge over entire current assets, present & future and entire movable fixed assets, present & future except for those specifically charged to other lender. These loans are additionally secured by equitable mortgage on pari passu basis over Factory Land & Building and Plant & Machinery at E-442, E-443 and E-444 at RIICO Industrial Area, Chopanki and negative lien on company's office at Azadpur (Delhi). Second pari passu charge on all movable fixed assets located at CH-21, GIDC Industrial Estate, Dahej, Dist. Bharuch (Gujarat) and negative lien on the land and building located at CH-21, GIDC Industrial Estate, Dahej, Dist. Bharuch (Gujarat). Further, these loans have been personally guaranteed by Mr. Hari Chand Aggarwal and Mr. Rajesh Kumar Aggarwal, directors of the Group.

The carrying amounts of financial and non-financial assets pledged as security for current and non-current borrowings are disclosed in note 45.

#### 19(b) Trade payables

Particulars	As at March 31, 2024	As at March 31, 2023
Trade payables		
- related parties (refer note 40)	710.42	901.48
- others	41,189.08	43,925.30
<b>Total</b>	<b>41,899.50</b>	<b>44,826.78</b>

Particulars	As at March 31, 2024	As at March 31, 2023
(A) total outstanding due of micro enterprises and small enterprises	1,776.73	2,705.98
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	40,122.77	42,120.80
<b>Total</b>	<b>41,899.50</b>	<b>44,826.78</b>

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

### As at March 31, 2024

Particulars	Unbilled	Not due	Outstanding for following periods from date of transaction				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed outstanding dues of micro enterprises and small enterprises	-	-	1,776.73	-	-	-	1,776.73
(ii) Undisputed outstanding dues of creditors other than micro enterprises and small enterprises	-	-	40,118.10	3.63	0.73	0.31	40,122.77
(iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
(iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-

### As at March 31, 2023

Particulars	Unbilled	Not due	Outstanding for following periods from date of transaction				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed outstanding dues of micro enterprises and small enterprises	-	-	2,705.98	-	-	-	2,705.98
(ii) Undisputed outstanding dues of creditors other than micro enterprises and small enterprises	-	-	42,083.37	37.43	-	-	42,120.80
(iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
(iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-

There are no unbilled trade payables, hence the same is not disclosed in the ageing schedule.

Trade payables are non-interest bearing and are settled on agreed terms.

Refer note 47 for disclosure pertaining to Micro, Small & Medium Enterprises Development Act, 2006.

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

### 19(c) Other financial liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Financial liabilities at amortised cost</b>		
Security deposits received from customers	911.88	803.16
Creditors for capital expenditure	488.47	645.76
Interest accrued on borrowings	22.01	29.93
Employee payables		
- related parties (refer note 40)	44.80	37.92
- others	1,983.65	1,620.80
Unpaid dividend account	5.45	5.23
<b>Financial liabilities at fair value through profit and loss</b>		
Derivative liabilities	8.26	7.26
<b>Total</b>	<b>3,464.52</b>	<b>3,150.06</b>

### 20 Other current Liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Advances from customers (refer note 48)	13,610.48	11,455.69
Statutory dues	658.14	403.54
<b>Total</b>	<b>14,268.62</b>	<b>11,859.23</b>

### 21 Current tax liabilities (Net)

Particulars	As at March 31, 2024	As at March 31, 2023
Income tax payable	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

### 22 Revenue from operations

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
<b>Sale of products</b>		
Finished goods	1,75,717.91	1,64,501.62
Traded goods	19,920.48	15,228.56
<b>Sub-total (I)</b>	<b>1,95,638.39</b>	<b>1,79,730.18</b>
<b>Other operating revenue</b>		
Sale of scrap & others	89.67	80.24
Government grants *	910.49	322.43
<b>Total revenue from operations</b>	<b>1,96,638.55</b>	<b>1,80,132.85</b>

\* Includes GST Refund under Budgetary Support Scheme. As per the Scheme eligible units (Samba and Udhampur in Jammu & Kashmir) are entitled to receive refund of the Goods and Services Tax paid by the unit.

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

### a) Disaggregated revenue information

The table below presents disaggregated revenues from contracts with customers by geography. The Group believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of the revenues and cash flows are affected by industry, market and other economic factors.

#### Revenues by Geography

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Within India	1,85,615.48	1,70,338.78
Outside India	10,022.91	9,391.40
<b>Total</b>	<b>1,95,638.39</b>	<b>1,79,730.18</b>

#### Timing of revenue recognition

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
<b>At a point in time</b>		
Sale of finished goods	1,75,717.91	1,64,501.62
Sale of traded goods	19,920.48	15,228.56
<b>Total</b>	<b>1,95,638.39</b>	<b>1,79,730.18</b>

### b) Reconciling the amount of revenue recognized in the statement of profit and loss with the contracted price:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Revenue as per contract	2,18,525.69	1,98,133.36
Adjustments for variable consideration:		
Discounts and rebates	(22,887.30)	(18,403.18)
<b>Revenue from contracts with customers</b>	<b>1,95,638.39</b>	<b>1,79,730.18</b>

### c) Aggregate amount of the transaction price allocated to performance obligations that are unsatisfied at end of the year:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Advance from customers* (refer note 48)	13,610.48	11,455.69
Revenue recognised from amounts included in advance from customers at beginning of the year	11,455.69	9,704.23

Advance from customers relates to payments received in advance of performance under the contract. Advances from customers are recognized as revenue as (or when) the Group performs under the contract.

\*For March 31, 2024, management expects that the entire transaction price allocated to the unsatisfied contracts at end of the year will be recognised as revenue during the next year.

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

### 23 Other Income

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest income		
Fixed deposits with banks	49.02	8.30
Other assets	3.83	3.53
Dividend income from equity investments designated at fair value through other comprehensive income*	22.05	20.31
Net gain on lease modification	0.27	13.34
Miscellaneous income	85.43	80.91
Interest on income tax refund	181.98	-
Liabilities written back	33.50	-
Profit on sale/disposal of property, plant and equipment (net)	173.23	-
Exchange difference (net)	397.46	-
<b>Total other income</b>	<b>946.77</b>	<b>126.39</b>

\* All dividends from equity investments designated at FVTOCI relate to investments held at the end of the reporting period, and as these investments are not held for trade.

### 24 Cost of raw material and components consumed

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
<b>Raw Material</b>		
Inventory at the beginning of the year	35,560.59	25,405.02
Add: Purchases	1,12,412.39	1,39,034.03
	<b>1,47,972.98</b>	<b>1,64,439.05</b>
Less: inventory at the end of the year	27,673.21	35,560.59
<b>Cost of raw material consumed</b>	<b>1,20,299.77</b>	<b>1,28,878.46</b>
<b>Packing Material</b>		
Inventory at the beginning of the year	2,157.30	1,713.55
Add: Purchases	12,647.15	11,511.81
	<b>14,804.45</b>	<b>13,225.36</b>
Less: inventory at the end of the year	1,884.05	2,157.30
<b>Cost of packing material consumed</b>	<b>12,920.40</b>	<b>11,068.06</b>
<b>Total Cost of raw material and components consumed</b>	<b>1,33,220.17</b>	<b>1,39,946.52</b>

### 25 (Increase)/Decrease in inventories

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
<b>Inventories at the end of the year</b>		
Finished goods	39,734.07	37,821.26
Semi-finished goods	9,642.21	8,797.17
Traded goods	1,561.27	1,712.16
	<b>50,937.55</b>	<b>48,330.59</b>
<b>Inventories at the beginning of the year</b>		
Finished goods	37,821.26	27,955.12
Semi-finished goods	8,797.17	6,037.81
Traded goods	1,712.16	1,740.89
	<b>48,330.59</b>	<b>35,733.82</b>
<b>Total (Increase)/Decrease in inventories</b>	<b>(2,606.96)</b>	<b>(12,596.77)</b>

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

Details of inventory	Year ended March 31, 2024	Year ended March 31, 2023
<b>Traded goods</b>		
Liquid	1,221.81	1,269.63
Powder	151.81	274.06
Granules	187.65	168.47
<b>Total</b>	<b>1,561.27</b>	<b>1,712.16</b>
<b>Finished goods</b>		
Liquid	22,204.67	20,304.89
Powder	5,181.52	3,964.39
Granules	4,052.81	5,522.93
Technicals	8,295.07	8,029.05
<b>Total</b>	<b>39,734.07</b>	<b>37,821.26</b>

### 26 Employee benefit expenses

Particulars	Note	Year ended March 31, 2024	Year ended March 31, 2023
Salaries, wages and bonus		10,483.37	8,694.63
Contribution to provident and other funds	17(b)	575.77	510.36
Gratuity expense	17(b)	160.19	139.97
Staff welfare expenses		513.88	493.09
<b>Total employee benefit expenses</b>		<b>11,733.21</b>	<b>9,838.05</b>

### 27 Finance costs

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest and finance charges on financial liabilities not at fair value through profit or loss		
Interest on term loans and ECBs	356.47	35.21
Interest on CC Limits, buyer's credit and demand loans	468.72	1,004.89
Interest on Lease Liabilities	42.32	45.03
Interest (Others)	52.32	43.20
Other borrowings costs		
Bank charges	168.99	216.77
<b>Total finance costs</b>	<b>1,088.82</b>	<b>1,345.10</b>

### 28 Depreciation and amortization expense

Particulars	Note	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation of tangible assets	3(a)	2574.44	2,290.02
Depreciation of right-of-use assets	5	234.96	218.05
Amortization of intangible assets	6(a)	115.52	102.11
<b>Total depreciation and amortization expense</b>		<b>2,925.02</b>	<b>2,610.18</b>



## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

### 29 Other expenses

Particulars	Note	Year ended March 31, 2024	Year ended March 31, 2023
Consumption of stores and spares		1,401.02	1,230.08
Power and fuel expenses		4,425.80	3,540.26
Transport charges		4,506.57	3,967.91
Field promotion		2,246.78	1,944.25
Repairs and maintenance			
Buildings		29.25	13.75
Plant & machinery		423.09	268.13
Others		692.66	487.60
Pollution control expenses		358.05	260.23
Advertising and sales promotion		901.31	942.26
Commission		774.23	682.05
Travelling and conveyance		2,278.03	1,812.19
Rent	43	54.96	35.49
Insurance		439.05	323.05
Communication expenses		40.50	36.15
Printing and stationery		34.27	32.31
Legal and professional fees		900.81	642.54
Director sitting fees	40	19.10	14.70
Payment to auditors	29(a)	58.85	53.13
Electricity & water charges		64.97	67.28
Rates and taxes		88.42	61.53
Security charges		156.46	129.76
Research & development Expenses	30	934.46	892.65
Loss on sale/disposal of property, plant and equipment (net)		-	6.65
Corporate social responsibility expenses	29(b)	246.00	271.91
Allowance for expected credit losses	36	272.20	25.34
Net losses on fair value changes			
Derivatives at FVTPL		23.64	48.08
Exchange difference (net)		-	1,059.80
Bad debts written off		22.76	26.71
Export sales expenses		319.48	232.42
Miscellaneous expenses		438.53	459.29
<b>Total other expenses</b>		<b>22,151.25</b>	<b>19,543.97</b>

### 29(a) Details of payment to auditors (excluding taxes)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
<b>As auditor</b>		
Statutory Audit Fees	53.98	48.72
<b>In other capacity</b>		
Reimbursement of expenses	4.87	4.41
<b>Total</b>	<b>58.85</b>	<b>53.13</b>

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

### 29(b) Corporate social responsibility

As per Section 135 of the Companies Act, 2013, a CSR committee has been formed by the Group. The Group's policy covers current as well as proposed CSR activities to be undertaken by the Group and examining their alignment with Schedule VII of the Act.

The Group proposes to implement its CSR activities in various sectors which include promoting Education, green initiatives, and facilities for senior citizens, vocational & entrepreneurship skills, medical aid & healthcare, old age homes & women hostels, art and culture, destitute care and rehabilitation, rural development projects and others.

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
1 CSR amount required to be spent as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof by the Group	245.95	267.00
2 Amount spent during the year on:		
(i) Construction/acquisition of an asset		
- in cash	-	-
- yet to be paid in cash	-	-
(ii) On purpose other than (i) above		
- in cash	246.00	271.91
- yet to be paid in cash	-	-
<b>Total amount spent for the financial year</b>	<b>246.00</b>	<b>271.91</b>
3 Shortfall at the end of the year	-	-
4 Total of previous years shortfall	-	-
5 Reason for the shortfall	Not Applicable	Not Applicable
6 Nature of CSR activities	Environmental Sustainability, Promoting Education and Health care	

**Note:** The entire amount is spent through the IIL foundation which is a related party (refer note 40).

### 30 Research & Development Expenditure (as certified by the management)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
<b>Chopanki:</b>		
(i) Revenue expenditure :		
(a) Employee cost	180.73	201.62
(b) Cost of material & testing charges	39.77	24.23
(c) Other R&D expenditure	16.80	19.49
(d) Consultancy charges to OAT & IIL	360.23	366.33
(ii) Capital expenditure	134.25	25.87
<b>Chopanki Total</b>	<b>731.78</b>	<b>637.54</b>
<b>Shamli:</b>		
(i) Revenue expenditure :		
(a) Employee cost	100.59	118.48
(b) Cost of material & testing charges	3.33	1.98
(c) Other R&D expenditure	2.43	4.43
(ii) Capital expenditure	0.44	0.85
<b>Shamli Total</b>	<b>106.79</b>	<b>125.74</b>
<b>Dahej:</b>		
(i) Revenue expenditure :		
(a) Employee cost	100.18	87.02
(b) Cost of material & testing charges	43.31	30.41
(c) Other R&D expenditure	34.09	15.13
(ii) Capital expenditure	6.65	0.16
<b>Dahej Total</b>	<b>184.23</b>	<b>132.72</b>
<b>Total</b>	<b>1,022.80</b>	<b>896.00</b>

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(All amounts in INR in 'Lacs', unless mentioned otherwise)

### 31 Income tax expense

This note provides an analysis of the Group's income tax expense, shows how the tax expense is affected by non-assessable and non-deductible items.

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
<b>(a) Income tax expense</b>		
Current tax		
Current tax on profits for the year	3,429.06	2,123.47
Adjustment of tax relating to earlier periods	(133.89)	(40.62)
<b>Total current tax expense</b>	<b>3,295.17</b>	<b>2,082.85</b>
Deferred tax		
(Decrease) /increase in deferred tax liabilities	39.66	(28.94)
Decrease/ (increase) in deferred tax assets	(352.19)	7.88
<b>Total deferred tax expense/(benefit)</b>	<b>(312.53)</b>	<b>(21.06)</b>
<b>Income tax expense</b>	<b>2,982.64</b>	<b>2,061.79</b>

### (b) Reconciliation of tax expense and the accounting profit multiplied by the Indian statutory income tax rate

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
<b>Profit before income tax expense</b>	13,188.15	8,359.71
Tax at the Indian statutory income tax rate of 25.168% (March 31, 2023: 25.168%)	3,319.19	2,103.97
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Weighted deduction on research and development expenditure	-	-
Deduction on account of tax holiday period	-	-
Other non-deductible / (taxable) items	(208.27)	(1.64)
Effect of difference in tax rates used to calculate deferred tax on temporary differences*	5.61	0.08
Adjustments for current tax of earlier periods	(133.89)	(40.62)
<b>Income tax expense</b>	<b>2,982.64</b>	<b>2,061.79</b>

### 32 Components of Other Comprehensive Income (OCI)

The disaggregation of changes to OCI by each type of reserve in equity is shown below:

#### During the year ended March 31, 2024

Particulars	Equity instruments through other comprehensive income	Foreign currency translation reserve	Retained earnings	Total
Re-measurement of net defined benefit plans	-	-	(2.64)	(2.64)
Gain/(loss) on FVTOCI financial assets	169.58	-	-	169.58
Share of other comprehensive income of joint venture	-	-	8.86	8.86
Exchange differences in translating the financial statements of foreign operations	-	-	-	-
<b>foreign operations</b>	<b>169.58</b>	<b>-</b>	<b>6.22</b>	<b>175.80</b>

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

### During the year ended March 31, 2023

Particulars	Equity instruments through other comprehensive income	Foreign currency translation reserve	Retained earnings	Total
Re-measurement of net defined benefit plans	-	-	(56.70)	(56.70)
Gain/(loss) on FVTOCI financial assets	85.50	-	-	85.50
Share of other comprehensive income of joint venture	-	-	3.11	3.11
Exchange differences in translating the financial statements of foreign operations	-	-	-	-
<b>foreign operations</b>	<b>85.50</b>	<b>-</b>	<b>(53.59)</b>	<b>31.91</b>

### 33 Significant estimates, judgements and assumptions

The preparation of the Group's financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, acGrouping disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

#### Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the separate financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

#### Contingent liabilities

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Group, including legal and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events.

#### Taxes

There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. Where the final tax outcome of these matters is different from the amounts initially recorded, such differences will impact the current and deferred tax provisions in the period in which the tax determination is made. The assessment of probability involves estimation of a number of factors including future taxable income.

#### Impairment of financial assets

The Group assesses impairment based on expected credit losses (ECL) model on trade receivables.

The Group uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

#### Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

or group of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risk specific to the asset. In determining fair value less cost of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other available fair value indicators.

### Defined benefit plans (gratuity)

The cost of the defined benefit gratuity plan and other post-employment benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in India.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates in India. Further details about gratuity obligations are given in Note 17(b).

### Fair value of financial instruments

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Group uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period.

### Determining the lease term of contracts with renewal and termination options – Group as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

### Property lease classification – Group as lessor

The Group has entered into commercial property leases on its investment property portfolio. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the present value of the minimum lease payments not amounting to substantially all of the fair value of the commercial property, that it retains substantially all the risks and rewards incidental to ownership of these properties and accounts for the contracts as operating leases.

### Leases - Estimating the incremental borrowing rate

Where the Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

### Revenue recognition - Estimating variable consideration for returns and volume rebates

The Group's contracts with customers include promises to transfer goods to the customers. Judgement is required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as rebates, incentives and cash discounts etc. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period.

The amount of revenue recognised depends on whether the Group act as an agent or as a principal in an arrangement with a customer. The Group act as a principal if the Group controls a promised goods or service before the Group transfers the goods or service to a customer and act as an agent if the Group's performance obligation is to arrange for the provision of goods or service by another party.

### Interest in joint venture

OAT & IIL India Laboratories Private Limited (OAT & IIL) is a private company in which the parent company currently owns 20% of the ownership interest. As per the joint venture agreement between the parent company and OAT Agrio Co. Ltd, control over the "relevant activities" of OAT & IIL is exercised jointly by both the companies. OAT & IIL is structured as a separate legal entity and both companies have an interest in the net assets of OAT & IIL. Accordingly, the parent company has classified its interest in OAT & IIL as a joint venture.

## 34 Hedging activities and derivatives

### Derivatives not designated as hedging instruments

The Group uses full currency cum interest rate swap and foreign exchange forward contracts and option contracts to manage some of its transaction exposures. The foreign exchange forward contracts are not designated as cash flow hedges and are measured at fair value through profit or loss. These contracts are entered into for period consistent with the foreign currency exposures of the underlying transactions and with the intention to reduce the foreign exchange risk of expected purchases and sales.

Nature of instrument	As at March 31, 2024		As at March 31, 2023	
	Amount outstanding FCY	Amount outstanding INR	Amount outstanding FCY	Amount outstanding INR
<b>Hedged foreign currency exposures</b>				
Forward contract - Buy				
In respect of foreign letters of credit (USD)	49.65	4,125.88	81.30	6,696.30
In respect of import bills accepted (USD)	5.28	438.88	3.19	261.37
In respect of FCNR - Citi Bank Term Loan (USD)	41.42	3,442.12	-	-
	<b>96.35</b>	<b>8,006.88</b>	<b>84.49</b>	<b>6,957.67</b>
Forward contract - Sell				
In respect of trade receivables (USD)	27.61	2,312.56	65.98	5,509.42
	<b>27.61</b>	<b>2,312.56</b>	<b>65.98</b>	<b>5,509.42</b>
<b>Unhedged foreign currency exposures</b>				
<b>a) Payables</b>				
Letters of credit (USD)	259.10	21,611.74	274.31	22,542.90
Import bills accepted (Trade payables) (USD)	2.11	176.16	-	-
	<b>261.21</b>	<b>21,787.90</b>	<b>274.31</b>	<b>22,542.90</b>
<b>b) Receivables</b>				
Trade receivables (USD)	35.44	2,956.07	-	-
	<b>35.44</b>	<b>2,956.07</b>	<b>-</b>	<b>-</b>

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

### 35 Fair value measurements

#### (i) Financial instruments by category

Particulars	Note	As at March 31, 2024			As at March 31, 2023		
		FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
<b>a) Financial assets - Non-current</b>							
Investments							
- Equity instruments	8(a)	-	852.89	-	-	631.80	-
Security deposits	8(b)	-	-	205.88	-	-	168.62
Deposit accounts with banks having remaining maturity more than twelve months	8(b)	-	-	135.17	-	-	37.04
On deposit accounts with remaining maturity more than twelve months	8(b)	-	-	-	-	-	-
Interest accrued on fixed deposit with banks	8(b)	-	-	0.43	-	-	-
<b>b) Financial assets - Current</b>							
Trade receivables	12(a)	-	-	29,666.82	-	-	29,624.44
Cash and cash equivalents	12(b)	-	-	6,124.67	-	-	1,862.81
Other bank balances	12(c)	-	-	15.83	-	-	106.59
Loans	12(d)	-	-	14.39	-	-	19.23
Derivative assets	12(e)	20.62	-	-	43.27	-	-
Dividend receivable	12(e)	-	-	18.68	-	-	17.20
Insurance claim recoverable	12(e)	-	-	179.36	-	-	-
Litigation charges recoverable	12(e)	-	-	19.60	-	-	19.60
Export incentive recoverable	12(e)	-	-	9.51	-	-	9.33
<b>Total financial assets</b>		<b>20.62</b>	<b>852.89</b>	<b>36,390.34</b>	<b>43.27</b>	<b>631.80</b>	<b>31,864.86</b>
<b>c) Financial liabilities - Non-current</b>							
Borrowings	16(a)	-	-	2,917.16	-	-	185.93
<b>d) Financial liabilities - Current</b>							
Borrowings	19(a)	-	-	4,315.24	-	-	15,496.60
Trade payables	19(b)	-	-	41,899.50	-	-	44,826.78
Current maturities of long-term borrowings	19(a)	-	-	1,087.49	-	-	224.43
Security deposits received from customers	19(c)	-	-	911.88	-	-	803.16
Creditors for capital expenditure	19(c)	-	-	488.47	-	-	645.76
Interest accrued on borrowings	19(c)	-	-	22.01	-	-	29.93
Employee payables	19(c)	-	-	2,028.45	-	-	1,658.72
Unpaid dividend account	19(c)	-	-	5.45	-	-	5.23
Derivative liabilities	19(c)	8.26	-	-	7.26	-	-
<b>Total financial liabilities</b>		<b>8.26</b>		<b>53,675.65</b>	<b>7.26</b>		<b>63,876.54</b>

#### (ii) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are :-

- recognised and measured at fair value and
- 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 Group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

### Financial assets and liabilities measured at fair value - recurring fair value measurements

Particulars	As at March 31, 2024			As at March 31, 2023		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Financial assets</b>						
Financial assets at FVTOCI						
-Quoted equity investments*	852.89	-	-	631.80	-	-
Financial assets at FVTPL						
-Derivative assets	-	20.62	-	-	43.27	-
<b>Financial liabilities</b>						
Financial liabilities at FVTPL						
-Derivative liabilities	-	8.26	-	-	7.26	-

\* The investments in equity instruments are not held for trading. Instead, they are held for medium or long-term strategic purpose. Upon the application of Ind AS 109, the Group has chosen to designate these investments in equity instruments as at FVTOCI as the management believes that this provides a more meaningful presentation for medium or long-term strategic investments, than reflecting changes in fair value immediately in profit or loss.

There have been no transfers between Level 1 and Level 2 during the period.

### Assets and liabilities which are measured at amortised cost for which fair values are disclosed

Particulars	As at March 31, 2024			As at March 31, 2023		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Financial assets</b>						
Security deposits	-	-	205.88	-	-	168.62
Deposit accounts with banks having remaining maturity more than twelve months	-	-	135.17	-	-	37.04
On deposit accounts with remaining maturity more than twelve months	-	-	-	-	-	-
Interest accrued on fixed deposit with banks	-	-	0.43	-	-	-
<b>Financial liabilities</b>						
Long term borrowings (including current maturities)	-	-	4,004.65	-	-	410.36

There have been no transfers between Level 1 and Level 2 during the period.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

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

### (iii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the fair values of the FVTOCI investments are derived from quoted market prices in active markets.
- the fair value of forward foreign exchange contracts and principal swap is determined using forward exchange rates at the balance sheet date.
- the fair values of the interest-bearing borrowings and loans are determined by using discounted cash flow method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk was assessed to be insignificant.



## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

- d) the fair value of the remaining financial instruments is determined using discounted cash flow analysis using rates currently available for debt on similar terms, credit risk and remaining maturities.

### (iv) Fair value of financial assets and liabilities measured at amortised cost.

Particulars	Note	As at March 31, 2024		As at March 31, 2023	
		Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial assets</b>					
-Security deposits*	8(b)	205.88	205.88	168.62	168.62
-Deposit accounts with banks having remaining maturity more than twelve months*	8(b)	135.17	135.17	37.04	37.04
- On deposit accounts with remaining maturity more than twelve months	8(b)	-	-	-	-
-Interest accrued on fixed deposit with banks*	8(b)	0.43	0.43	-	-
<b>Financial liabilities</b>					
- Long term borrowings (including current maturities)	16(a)	4,004.65	4,004.65	410.36	410.36

\* The management assessed that fair values of above financial instruments is substantially equal to their carrying value due to amortised cost being calculated based on the effective interest rates, which approximates the market rates.

The carrying amounts of trade receivables, cash and bank balances, loans, other receivables, short term borrowings, security deposits received, trade payables, creditors for capital expenditure and other current financial assets and liabilities are considered to be the same as fair value due to their short term maturities.

## 36 Financial risk management

The Group's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include trade and other receivables, security deposits, cash and cash equivalents and loans that derive directly from its operations. The Group also holds FVTOCI investments and enters into derivative transactions.

The Group is exposed to market risk, credit risk and liquidity risk that are summarised as under:-

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, derivative financial instruments, financial assets measured at amortised cost.	Ageing analysis	Diversification of bank deposits, credit limits
Liquidity risk	Borrowings and other liabilities	Cash flow forecasting	Availability of committed credit lines and borrowing facilities
Market risk - foreign exchange risk	Recognised financial assets and liabilities not denominated in Indian rupee (INR)	a) Cash flow forecasting b) Sensitivity analysis	a) Forward exchange contracts b) Foreign currency options c) Currency swaps
Market risk - interest rate risk	Long-term borrowings at variable rates	Sensitivity analysis	Interest rate swaps
Market risk - security prices	Investments in equity securities	Sensitivity analysis	Portfolio diversification

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

The Group has formulated the Risk Management Policy whose objective is to ensure sustainable business expansion with stability, and to promote an upbeat approach in risk management process by eliminating risk. In order to achieve this key objective, this policy provides a prepared and well-organized approach to manage the various types of risk associated with day to day business of the Group and minimize adverse impact on its business objectives as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

### A) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

#### (i) Credit risk management

##### a) Trade receivables

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored. The Group periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical data and ageing of accounts receivable. Individual risk limits are set accordingly. New customers are analysed individually for creditworthiness before the Group's standard payment and delivery terms are offered. Sale limits are established for each customers and reviewed periodically.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. It considers available reasonable and supportive forward-looking information. Especially the following indicators are incorporated:

- Actual or expected significant adverse changes in business, financial or economic conditions that are actual.
- Significant changes in the expected performance and behaviour of the customer, including changes in the payment status of customer in the Group.

The maximum exposure to credit risk arising from trade receivables is provided in note 12(a)

##### b) Financial instruments and cash deposits

Credit risk from balances with banks is managed by the Group's management in accordance with the policy of the Group. Counterparty credit limits are reviewed by the Group's management on an annual basis. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Group's maximum exposure to credit risk for the components of the balance sheet at March 31, 2024 and March 31, 2023 is the carrying amounts as illustrated in Note 8 and 12 except for derivative financial instruments.

#### (ii) Provision for expected credit losses

Category	Description of category	Basis for recognition of expected credit loss provision		
		Loans to employees	Security deposits	Trade receivables
High quality assets, negligible credit risk	Assets where the counter-party has strong capacity to meet the obligations and where the risk of default is negligible or nil	12-month expected credit loss	12-month expected credit loss	Lifetime expected credit losses
Quality assets, low credit risk	Assets where there is low risk of default and where the counter-party has sufficient capacity to meet the obligations and where there has been low frequency of defaults in the past			

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

### Year ended March 31, 2024

(a) Expected credit loss for loans and security deposits

Particulars	Category	Description of category	Asset group	Gross carrying amount	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
Loss allowance measured at 12 month expected credit losses	High quality assets, negligible credit risk	Assets where the counter-party has strong capacity to meet the obligations and where the risk of default is negligible or nil	Loans to employees	14.39	0%	-	14.39
Loss allowance measured at 12 month expected credit losses	High quality assets, negligible credit risk	Assets where the counter-party has strong capacity to meet the obligations and where the risk of default is negligible or nil	Security deposits	205.88	0%	-	205.88

(b) Allowance for expected credit losses on trade receivables under simplified approach

Ageing	Not due	0-90 days past due	90-180 days past due	180-360 days past due	360-720 days past due	More than 720 days past due	Total
Gross carrying amount	17,350.30	6,114.35	4,736.74	1,342.68	486.12	1,395.53	31,425.72
Expected loss rate	0.10%	0.20%	0.50%	5.00%	50.00%	100.00%	
Expected credit losses (Loss allowance provision)	17.27	12.23	23.68	67.13	243.06	1,395.53	1,758.90
<b>Carrying amount of trade receivables (net of expected credit losses)</b>	<b>17,333.03</b>	<b>6,102.12</b>	<b>4,713.06</b>	<b>1,275.55</b>	<b>243.06</b>	<b>-</b>	<b>29,666.82</b>

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

### Year ended March 31, 2023

(a) Expected credit loss for loans and security deposits

Particulars	Category	Description of category	Asset group	Gross carrying amount	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
Loss allowance measured at 12 month expected credit losses	High quality assets, negligible credit risk	Assets where the counter-party has strong capacity to meet the obligations and where the risk of default is negligible or nil	Loans to employees	19.23	0%	-	19.23
Loss allowance measured at 12 month expected credit losses	High quality assets, negligible credit risk	Assets where the counter-party has strong capacity to meet the obligations and where the risk of default is negligible or nil	Security deposits	168.62	0%	-	168.62

(b) Allowance for expected credit losses on trade receivables under simplified approach

Ageing	Not due	0-90 days past due	90-180 days past due	180-360 days past due	360-720 days past due	More than 720 days past due	Total
Gross carrying amount	20,685.51	6,137.85	2,429.18	260.99	338.04	1,259.57	31,111.14
Expected loss rate	0.10%	0.20%	0.50%	5.00%	50.00%	100.00%	
Expected credit losses (Loss allowance provision)	20.63	12.28	12.15	13.05	169.02	1,259.57	1,486.70
<b>Carrying amount of trade receivables (net of expected credit losses)</b>	<b>20,664.88</b>	<b>6,125.57</b>	<b>2,417.03</b>	<b>247.94</b>	<b>169.02</b>	<b>-</b>	<b>29,624.44</b>

Reconciliation of expected credit losses

Particulars	Amount
<b>Loss allowance on March 31, 2022</b>	<b>1,461.36</b>
Changes in loss allowance	25.34
<b>Loss allowance on March 31, 2023</b>	<b>1,486.70</b>
Changes in loss allowance	272.20
<b>Loss allowance on March 31, 2024</b>	<b>1,758.90</b>

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

### B) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. The Group manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of the financial assets and liabilities.

The Group enjoys a good reputation for its sound financial management and ability to meet in financial commitments. CRISIL, a S&P Global Group, a reputed Rating Agency, has re-affirmed the credit rating of CRISIL A/Stable for the long term and CRISIL A1 for the Short-term Bank facilities.

#### (i) Financing arrangements

The Group had access to the following undrawn borrowing facilities subject to the reconciliation at the end of the reporting period:

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Floating rate</b>		
Short term borrowings	36,941.75	24,553.10

#### (ii) Maturities of financial liabilities

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

##### Contractual maturities of financial liabilities:-

As at March 31, 2024	Note	Within 1 year	Between 1 and 5 years	More than 5 years	Total
Long term borrowings (including current maturities)	16(a)	1,087.49	2,875.04	-	3,962.53
Lease liabilities	16(b)	208.16	249.77	5.31	463.24
Short term borrowings	19(a)	4,315.24	-	-	4,315.24
Trade payables	19(b)	41,899.50	-	-	41,899.50
Security deposits received from customers	19(c)	911.88	-	-	911.88
Creditors for capital expenditure	19(c)	488.47	-	-	488.47
Interest accrued on borrowings	19(c)	22.01	-	-	22.01
Employee payables	19(c)	2,028.45	-	-	2,028.45
Unpaid dividend account	19(c)	5.45	-	-	5.45
Derivative liabilities	19(c)	8.26	-	-	8.26
<b>Total</b>		<b>50,974.91</b>	<b>3,124.81</b>	<b>5.31</b>	<b>54,105.03</b>
<b>As at March 31, 2023</b>	Note	<b>Within 1 year</b>	<b>Between 1 and 5 years</b>	<b>More than 5 years</b>	<b>Total</b>
Long term borrowings (including current maturities)	16(a)	224.43	185.93	-	410.36
Lease liabilities	16(b)	179.36	236.64	9.45	425.45
Short term borrowings	19(a)	15,496.60	-	-	15,496.60
Trade payables	19(b)	44,826.78	-	-	44,826.78
Security deposits received from customers	19(c)	803.16	-	-	803.16
Creditors for capital expenditure	19(c)	645.76	-	-	645.76
Interest accrued on borrowings	19(c)	29.93	-	-	29.93
Employee payables	19(c)	1,658.72	-	-	1,658.72
Unpaid dividend account	19(c)	5.23	-	-	5.23
Derivative liabilities	19(c)	7.26	-	-	7.26
<b>Total</b>		<b>63,877.23</b>	<b>422.57</b>	<b>9.45</b>	<b>64,309.25</b>

## C) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTOCI investments and derivative financial instruments.

### (i) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency).

When a derivative is entered into for the purpose of being a hedge, the Group negotiates the terms of those derivatives to match the terms of the hedged exposure. The Group hedges its exposure to fluctuations on the foreign currency loan by using foreign currency swaps and forwards.

At March 31, 2024 and March 31, 2023 the Group's hedge position is stated in Note 34. This foreign currency risk is hedged by using foreign currency forward contracts and full currency interest rate swaps.

#### Sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD and JPY exchange rates, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities.

Particulars	Impact on profit before tax	
	Year ended March 31, 2024	Year ended March 31, 2023
<b>USD sensitivity</b>		
INR/USD - increase by 1% (March 31, 2023: 1%)	(188.32)	(225.43)
INR/USD - decrease by 1% (March 31, 2023: 1%)	188.32	225.43
<b>AED sensitivity</b>		
INR/AED - increase by 1% (March 31, 2023: 1%)	-	-
INR/AED - decrease by 1% (March 31, 2023: 1%)	-	-

#### JPY sensitivity [with respect to investment in equity shares of OAT Agrio Co. Ltd. (Group listed on Tokyo Stock exchange)]

Particulars	Impact on other comprehensive income	
	Year ended March 31, 2024	Year ended March 31, 2023
INR/JPY - increase by 5% (March 31, 2023: 5%)	42.64	31.59
INR/JPY - decrease by 5% (March 31, 2023: 5%)	(42.64)	(31.59)

### (ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's debt obligations with floating interest rates. The Group's policy is to keep between 40% and 60% of its borrowings at fixed rates of interest, excluding borrowings that relate to discontinued operations. The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings keeping in view of current market scenario. Group's fixed rate borrowings are not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates. As at March 31, 2024, the exposure to interest rate risk due to variable interest rate borrowings amounted to INR 3,442.12 (March 31, 2023: Nil).

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

### (a) Interest rate risk exposure

The exposure of the Group's borrowings to interest rate changes at the end of the reporting period are as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Fixed rate borrowings		
Long term borrowings (including current maturities)	562.53	410.36
Short term borrowings	4,315.24	15,496.60
Variable rate borrowings		
Long term borrowings (including current maturities)	3,442.12	-
<b>Total borrowings</b>	<b>8,319.89</b>	<b>15,906.96</b>

As at the end of the reporting period, the Group had the following long term variable rate borrowings (including current maturities) and interest rate swap contracts outstanding:

Particulars	As at March 31, 2024			As at March 31, 2023		
	Interest rates	Balance	% of total loans	Interest rates	Balance	% of total loans
Bank borrowings	3M T-Bill +1.8%	3,442.12	41.37%	-	-	0.00%
<b>Net exposure to cash flow interest rate risk</b>		<b>3,442.12</b>	<b>41.37%</b>		<b>-</b>	<b>0.00%</b>

### (b) Sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the impact of hedge accounting. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

USD sensitivity	Impact on profit before tax	
	Year ended March 31, 2024	Year ended March 31, 2023
INR/USD - increase by 1% (March 31, 2023: 1%)	34.42	-
INR/USD - decrease by 1% (March 31, 2023: 1%)	(34.42)	-

### (iii) Price risk

#### (a) Exposure

The Group's exposure to equity securities price risk arises from investments held by the Group in equity shares of OAT Agrio Co. Ltd. (Co-venturer of J.V.) and classified in the balance sheet as fair value through OCI (note 32).

#### (b) Sensitivity

The Group's investment in equity shares of OAT Agrio Co. Ltd. (Co-venturer of J.V.) is publicly traded in the Japanese stock exchange. With all other variables held constant, a 10% movement in the market value of the equity instrument will increase or decrease other comprehensive income by INR 85.29 (March 31, 2023: INR 63.18).

## 37 Capital management

### (a) Risk management

Capital includes equity attributable to the equity holders to ensure that it maintains an efficient capital structure and healthy capital ratios in order to support its business and maximise shareholder value. The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions or its business requirements. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. For the purpose of the Group's capital management, net debt includes interest bearing loans and borrowings, less cash and cash equivalents. Capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders.

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

Particulars	Note	As at March 31, 2024	As at March 31, 2023
Total debt	16(a),19(a)	8,319.89	15,906.96
(Less): Cash and cash equivalents	12(b)	(6,124.67)	(1,862.81)
<b>Net debt</b>		<b>2,195.22</b>	<b>14,044.15</b>
Total capital	14,15	1,01,353.36	91,828.97
<b>Capital and net debt</b>		<b>1,03,548.58</b>	<b>1,05,873.12</b>
<b>Gearing ratio</b>		<b>2.12%</b>	<b>13.27%</b>

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2024 & March 31, 2023.

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

### (b) Dividends

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
<b>(i) Dividends paid on equity shares</b>		
Final dividend for the year ended March 31, 2023: Nil (March 31, 2022: INR 3) per share fully paid up	-	591.96
Interim dividend for the year ended March 31, 2024: INR 3 (March 31, 2023: INR 3) per share fully paid up	887.93	887.93
<b>(ii) Dividends on equity shares not recognised at the end of the reporting period</b>		
During the financial year 2023-24, the directors have recommended interim dividend as final dividend of INR 3 per equity share fully paid up	-	-

## 38 Interests in other entities

### a) Interests in joint venture

Set out below is the joint venture of the Group as at March 31, 2024. The entity listed below has share capital consisting solely of equity shares, which is held directly by the Group. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

Name of entity	Place of business	% of ownership interest	Relationship	Status	Accounting method	As at March 31, 2024	As at March 31, 2023
OAT & IIL India Laboratories Private Limited	India	20%	Joint venture	Audited	Equity method	1,101.10	1,061.22

OAT & IIL India Laboratories Private Limited (OAT & IIL) is involved in the business of undertaking scientific and technical research experiments, product development, bio-equivalency studies and developing New Chemical Entities (NCEs). It is an unlisted entity so quoted prices are not available.



## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

### b) Commitments, contingent liabilities and contingent assets in respect of joint venture

Particulars	As at March 31, 2024	As at March 31, 2023
Share of commitments in respect of:		
Capital commitments in respect of Property, plant and equipment	-	-
Unpaid preference dividend (in Rs.)	220.00	200.00

### c) Summarised financial information for joint venture

The tables below provide summarised financial information for the Group's joint venture. The information disclosed reflects the amounts presented in the financial statements of the relevant joint venture and not the Group's share in those amounts.

#### Summarised balance sheet

Particulars	OAT & IIL India Laboratories Private Limited	
	As at March 31, 2024	As at March 31, 2023
<b>Current assets</b>		
Cash and cash equivalents	657.36	1,335.86
Other assets	3,540.86	2,712.26
<b>Total current assets</b>	<b>4,198.22</b>	<b>4,048.12</b>
<b>Total non-current assets</b>	<b>2,785.20</b>	<b>2,479.78</b>
<b>Total assets</b>	<b>6,983.42</b>	<b>6,527.90</b>
<b>Current liabilities</b>		
Financial liabilities (excluding trade payables)	18.69	1.42
Other liabilities	1,322.68	1,018.32
<b>Total current liabilities</b>	<b>1,341.37</b>	<b>1,019.74</b>
<b>Non-current liabilities</b>		
Financial liabilities (excluding trade payables)	-	-
Other liabilities	136.56	202.08
<b>Total non-current liabilities</b>	<b>136.56</b>	<b>202.08</b>
<b>Net assets</b>	<b>5,505.49</b>	<b>5,306.08</b>

#### Reconciliation to carrying amounts

Particulars	As at March 31, 2024	As at March 31, 2023
Opening net assets	5,306.08	5,174.58
Profit for the year	155.08	115.99
Other comprehensive income	44.34	15.51
<b>Closing net assets</b>	<b>5,505.50</b>	<b>5,306.08</b>
Group's share in %	20%	20%
<b>Carrying amount</b>	<b>1,101.10</b>	<b>1,061.22</b>

#### Summarised Statement of Profit and Loss

Particulars	As at March 31, 2024	As at March 31, 2023
Opening net assets	3,524.06	5,174.58
Profit for the year	173.10	115.99
Other comprehensive income	28.62	15.51
<b>Closing net assets</b>	<b>3,725.78</b>	<b>5,306.08</b>

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
<b>Expenses</b>		
Cost of materials consumed	1,600.31	1,597.51
Changes in inventories of finished goods	70.85	50.07
Employee benefit expenses	750.79	706.65
Finance costs	1.63	51.89
Depreciation & amortisation expenses	152.68	144.42
Other expenses	802.64	792.40
<b>Total expenses</b>	<b>3,378.90</b>	<b>3,342.94</b>
<b>Profit before tax</b>	<b>346.88</b>	<b>183.53</b>
Tax expense	191.80	67.54
<b>Profit after tax</b>	<b>155.08</b>	<b>115.99</b>
Other comprehensive income	44.34	15.51
<b>Total comprehensive income</b>	<b>199.42</b>	<b>131.50</b>

### 39 Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Group is engaged in the business of manufacturing and distribution of Agro-chemicals comprising of technical and formulation, hence there is one operating segment.

Entity wide disclosures as applicable to the Group are mentioned below:-

#### a) Information about geographical areas:

Revenue from external customers	Year ended March 31, 2024	Year ended March 31, 2023
Within India	1,85,615.48	1,70,338.78
Outside India	10,022.91	9,391.40
<b>Total revenue</b>	<b>1,95,638.39</b>	<b>1,79,730.18</b>

The basis for attributing revenues from external customer is based on the country of domicile of the respective customers.

#### b) Revenue from Major Customers: There is no customer having revenue amounting to 10% or more of Group's total revenue.

### 40 Related party transactions

#### (i) Names of related parties and related party relationship:-

##### a) Individuals owning directly or indirectly, an interest in the voting power of the Group that gives them significant influence over the Group and Key Management Personnel (KMP)

1. Sh. Hari Chand Aggarwal - Chairman
2. Sh. Rajesh Kumar Aggarwal - Managing Director
3. Smt. Nikunj Aggarwal - Whole-time Director
4. Sh. Anil Kumar Goyal - Whole-time Director

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

### b) Key Management Personnel (KMP)

1. Sh. Sandeep Aggarwal - Chief Financial Officer
2. Sh. Sandeep Kumar - Company Secretary & CCO

### c) Independent directors

1. Sh. Virjesh Kumar Gupta
2. Sh. Navin Shah
3. Sh. Jayaraman Swaminathan (ceased w.e.f. February 08, 2024)
4. Smt. Praveen Gupta
5. Sh. Anil Kumar Bhatia
6. Sh. Shyam Lal Bansal (appointed w.e.f. February 05, 2024)
7. Sh. Supratim Bandyopadhyay (appointed w.e.f. February 05, 2024)

### d) Relatives of KMPs

1. Sh. Sanjeev Aggarwal
2. Smt. Sonia Aggarwal
3. Smt. Anju Aggarwal
4. Smt. Pushpa Aggarwal
5. Sh. Sanskar Aggarwal

### e) Subsidiary / Joint Venture / Trust

1. OAT & IIL India Laboratories Private Limited - Joint Venture
2. IIL Foundation - CSR Trust
3. IIL Employees Gratuity Trust - Gratuity Trust

### f) Enterprises over which key management personnel and their relatives have control / significant influence:

1. ISEC Organics Limited
2. Vinod Metals Industries
3. Crystal Crop Protection Limited
4. HPM Chemicals & Fertilizers Limited
5. Indogulf Cropsciences Limited
6. Crop Care Federation of India
7. Kaeros Research Private Limited

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

### (ii) Transactions during the year with related parties:-

Particulars	Enterprises over which key management personnel and their relatives have control / significant influence		Subsidiary / Joint Venture / Trust		Individuals owning directly or indirectly, an interest in the voting power of the Group that gives them significant influence over the Group and Key Management Personnel (KMP)		Key Management Personnel		Relatives of Key Management Personnel	
	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023
<b>Advertisement expense</b>	-	<b>0.18</b>	-	-	-	-	-	-	-	-
Crop Care Federation of India	-	0.18	-	-	-	-	-	-	-	-
<b>Consultancy expenses</b>	-	-	-	-	-	-	-	<b>10.96</b>	<b>10.96</b>	-
Smt. Sonia Aggarwal	-	-	-	-	-	-	10.96	10.96	-	-
<b>Deputation fee income</b>	-	-	<b>40.37</b>	<b>39.17</b>	-	-	-	-	-	-
OAT & IIL India Laboratories Private Limited	-	-	40.37	39.17	-	-	-	-	-	-
<b>Membership &amp; Subscription expense</b>	<b>17.70</b>	<b>17.70</b>	-	-	-	-	-	-	-	-
Crop Care Federation of India	17.70	17.70	-	-	-	-	-	-	-	-
<b>Purchase of Capital &amp; Consumable Goods</b>	<b>203.83</b>	<b>276.52</b>	-	-	-	-	-	-	-	-
Vinod Metal Industries	203.83	276.52	-	-	-	-	-	-	-	-
<b>Sales of Finished Goods</b>	<b>1,727.80</b>	<b>1,259.24</b>	-	-	-	-	-	-	-	-
Crystal Crop Protection Limited	1,107.99	520.26	-	-	-	-	-	-	-	-
HPM Chemicals & Fertilizers Limited	208.39	-	-	-	-	-	-	-	-	-
Indogulf Crosciences Limited	411.42	738.98	-	-	-	-	-	-	-	-
<b>Purchases of Raw Material / Traded Goods</b>	<b>3,024.40</b>	<b>4,194.51</b>	<b>97.61</b>	-	-	-	-	-	-	-
Crystal Crop Protection Limited	2,156.48	3,159.71	-	-	-	-	-	-	-	-
HPM Chemicals & Fertilizers Limited	583.44	696.61	-	-	-	-	-	-	-	-
Indogulf Crosciences Limited	225.97	338.19	-	-	-	-	-	-	-	-
Kaeros Research Private Limited	58.51	-	-	-	-	-	-	-	-	-
OAT & IIL India Laboratories Private Limited	-	-	97.61	-	-	-	-	-	-	-
Other Expenses	17.70	8.85	-	-	-	-	-	-	-	-

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

Particulars	Enterprises over which key management personnel and their relatives have control / significant influence		Subsidiary / Joint Venture / Trust		Individuals owning directly or indirectly, an interest in the voting power of the Group that gives them significant influence over the Group and Key Management Personnel (KMP)		Key Management Personnel		Relatives of Key Management Personnel	
	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023
<b>Crop Care Federation of India</b>	17.70	8.85	-	-	-	-	-	-	-	-
Reimbursement of Expenses - Received	-	-	0.41	-	-	-	-	-	-	-
<b>OAT &amp; IIL India Laboratories Private Limited</b>	-	-	0.41	-	-	-	-	-	-	-
R & D Expenses	-	-	425.07	432.27	-	-	-	-	-	-
OAT & IIL India Laboratories Private Limited	-	-	425.07	432.27	-	-	-	-	-	-
<b>Rent paid</b>	6.16	12.97	-	-	-	-	-	-	-	-
ISEC Organics Limited	6.16	12.97	-	-	-	-	11.64	-	4.89	-
<b>Smt. Pushpa Aggarwal</b>	-	-	-	-	-	-	-	-	-	-
Rental Income	17.02	-	-	-	-	-	-	-	-	-
Kaeros Research Private Limited	17.02	-	-	-	-	-	-	-	-	-
<b>Revenue from Manpower supply</b>	-	-	38.37	56.28	-	-	-	-	-	-
OAT & IIL India Laboratories Private Limited	-	-	38.37	56.28	-	-	-	-	-	-
IIL Biologicals Limited	-	-	-	-	-	-	-	-	-	-
<b>Revenue from Manpower supply</b>	-	-	38.37	56.28	-	-	-	-	-	-
OAT & IIL India Laboratories Private Limited	-	-	38.37	56.28	-	-	-	-	-	-

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

Particulars	Enterprises over which key management personnel and their relatives have control / significant influence		Subsidiary / Joint Venture / Trust		Individuals owning directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the Company and Key Management Personnel (KMP)		Key Management Personnel		Relatives of Key Management Personnel		Independent Directors	
	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023
<b>Remuneration paid *</b>	-	-	-	-	<b>897.07</b>	<b>727.23</b>	<b>74.46</b>	<b>60.66</b>	<b>69.95</b>	-	-	-
Sh. Hari Chand Aggarwal			421.36	341.04								
Sh. Rajesh Kumar Aggarwal			408.76	328.72								
Smt. Nikunj Aggarwal			50.80	48.01								
Sh. Anil Kumar Goyal			16.15	9.46								
Sh. Sandeep Aggarwal							45.82	41.73				
Sh. Sandeep Kumar							28.64	18.93				
Sh. Sanjeev Aggarwal									27.20	27.00		
Smt. Anju Aggarwal									17.99	14.21		
Sh. Sanskar Aggarwal									24.76	6.30		
<b>Contribution to CSR</b>	-	-	<b>246.00</b>	<b>271.91</b>	-	-	-	-	-	-	-	-
IIL Foundation			246.00	271.91								
<b>Deposit in Gratuity Trust</b>	-	-	<b>9.00</b>	<b>9.00</b>	-	-	-	-	-	-	-	-
IIL Employees Gratuity Trust			-	9.00								
<b>Sitting fees</b>	-	-	-	-	-	-	-	-	-	-	<b>19.10</b>	<b>14.70</b>
Sh. Anil Kumar Bhatia											3.45	1.50
Sh. Jayaraman Swaminathan											3.05	4.20
Smt. Praveen Gupta											3.75	3.00
Sh. Navin Shah											3.00	3.00
Sh. Vrijesh Kumar Gupta											3.45	3.00
Sh. Shyam Lal Bansal											1.20	-
Sh. Supratim Bandyopadhyay											1.20	-

\* Excluding post employment benefits

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

### (iii) Balance outstanding with related parties

Particulars	Enterprises over which key management personnel and their relatives have control / significant influence		Subsidiary / Joint Venture / Trust		Individuals owning directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the Company and Key Management Personnel (KMP)		Key Management Personnel		Relatives of Key Management Personnel		Independent Directors	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
<b>Remuneration payable</b>												
Sh. Hari Chand Aggarwal	-	-	29.24	27.20	12.06	11.09	7.59	5.97	7.97	4.75	-	-
Sh. Rajesh Kumar Aggarwal			10.70	9.77	4.91	4.68						
Smt. Nikunj Aggarwal			1.57	1.66								
Sh. Anil Kumar Goyal												
Sh. Sandeep Aggarwal					4.45	3.93						
Sh. Sandeep Kumar					3.14	2.04			2.99	2.40		
Sh. Sanjeev Aggarwal									2.39	1.58		
Smt. Anju Aggarwal									2.59	0.77		
Sh. Sanskar Aggarwal									0.84	0.84		
<b>Trade Payables</b>	<b>661.30</b>	<b>900.64</b>	<b>48.77</b>	-								
Vinod Metal Industries	100.37	77.74										
Indogulf Cropsiences Limited	117.51	70.50										
HPM Chemicals & Fertilizers Limited	119.37	170.47										
Crystal Crop Protection Limited	265.05	581.93										
Kaeros Research Private Limited	58.51											
OAT & IIL India Laboratories Private Limited			48.77									
Smt. Sonia Aggarwal									0.84	0.84		
<b>Trade Receivables</b>	<b>43.66</b>	<b>462.79</b>	-	<b>11.21</b>								
Indogulf Cropsiences Limited	-	375.67										
HPM Chemicals & Fertilizers Limited	43.66	-										
Crystal Crop Protection Limited	(0.49)	87.12										
OAT & IIL India Laboratories Private Limited			-	11.21								
<b>Advances given</b>	<b>213.26</b>	<b>403.46</b>	-	<b>9.00</b>								
Indogulf Cropsiences Limited	-	200.20										
Isec Organics Limited	213.26	203.26										
IIL Employees Gratuity Trust			-	9.00								

#### iv) Key management personnel compensation

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Short-term employee benefits	971.51	787.89
Post-employment benefits	29.01	27.28
Long-term employee benefits	-	-
<b>Total</b>	<b>1,000.52</b>	<b>815.17</b>

#### v) Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free. There have been no guarantees provided or received for any related party receivables or payables. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

### 41 Contingent liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Claims against the Group not acknowledged as debt</b>		
a) Bank Guarantee	442.09	430.02
b) Excise Matter with Appellate Authority	429.51	429.51
c) Sales Tax / GST Matters	495.33	524.15
d) Revenue Department	89.60	89.60
<b>Total</b>	<b>1,456.53</b>	<b>1,473.28</b>

With respect to contingent liabilities reported at (b), (c) & (d) above, the management has taken an opinion from the legal advisors / professionals engaged by them and expects that the appeals will be decided in the favor of the Group. Therefore, the probability of outflow of resources is remote.

### 42 Commitments

#### Commitments with respect to:

Particulars	As at March 31, 2024	As at March 31, 2023
Estimated amount of contracts remaining to be executed on capital accounts (net of advances) and not provided for	553.16	64.98
<b>Other commitments</b>		
Letter of credits (FLC & ILC)	8,966.26	8,887.03
	<b>9,519.42</b>	<b>8,952.01</b>

### 43 Leases

The Group has lease contracts for various items of land, office premises, warehouses and vehicles used in its operations. The lease of generally have lease terms between 60 to 198 years, while office premises and warehouses have lease terms between 1 to 10 years.

Further, the Group has leases of office premises and warehouses which have lease term less than 12 months. The Group applies the "Short term leases" recognition exemption for such leases.



## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

### a) Amounts recognized in profit and loss

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation expense of right-of-use assets (Refer note 28)	234.96	218.05
Interest expense on lease liabilities (Refer note 27)	42.32	45.03
Expense relating to short-term leases (included in rent) (Refer note 29)	54.96	35.49
Net gain on lease modification (Refer note 23)	(0.27)	(13.34)
<b>Total</b>	<b>331.97</b>	<b>285.23</b>

### b) Extension and termination options

The Group has lease contracts that include extension and termination options. These options are negotiated by management and align with the Group's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised. The Group has considered all the lease payments relating to periods following the exercise date of extension options, where such option is available with the Group in the calculation of lease liabilities. The Group has determined that it is not reasonably certain that termination options attached to lease contracts will be exercised. Therefore, such disclosures are not applicable.

### c) Operating Lease Income

The Group has leased out a building. All leases are cancellable with 1 months notice. Rental income received during the year in respect of operating lease is Nil (March 31,2023: Nil ). Details of assets given on operating lease as at year end are as below.

Building	Year ended March 31, 2024	Year ended March 31, 2023
<b>Gross Block</b>		
Balance as at beginning of the year	-	-
Addition during the year	109.47	-
Disposal during the year	-	-
<b>Balance as at end of the year</b>	<b>109.57</b>	<b>-</b>
<b>Accumulated Depreciation</b>		
Balance as at beginning of the year	0.10	-
Addition during the year	-	-
Disposal during the year	-	-
<b>Balance as at end of the year</b>	<b>-</b>	<b>-</b>
<b>Net Block</b>	<b>109.47</b>	<b>-</b>

## 44 Earnings per share ('EPS')

Basic EPS amounts are calculated by dividing the profit / loss for the year attributable to equity shareholders of the Group by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity shareholders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Face value of equity shares (Rs per share)	10.00	10.00
<b>Profit attributable to equity shareholders (A)</b>	<b>10,236.52</b>	<b>6,321.12</b>
<b>Weighted Average number of Equity Shares original</b>	<b>2,95,97,837</b>	<b>1,97,31,891</b>
Impact of bonus issue effected during the year March 31, 2024: Nil (March 31, 2023: allotment of 98,65,946 bonus shares at face value of Rs 10 each)	-	98,65,946
<b>Weighted Average number of Equity Shares post bonus used as denominator in calculating Basic Earnings Per Share (B)</b>	<b>2,95,97,837</b>	<b>2,95,97,837</b>
<b>EPS - basic (A/B) (Rs)</b>	<b>34.59</b>	<b>21.36</b>
Weighted Average number of Equity Shares post bonus used as denominator in calculating Basic earnings per share	2,95,97,837	2,95,97,837
Effect of dilutive common equivalent shares	-	-
<b>Weighted average number of equity shares and common equivalent shares outstanding (C)</b>	<b>2,95,97,837</b>	<b>2,95,97,837</b>
<b>EPS - diluted (A/C) (Rs)</b>	<b>34.59</b>	<b>21.36</b>

### 45 Assets pledged as security

The carrying amounts of assets pledged as security for current and non-current borrowings are:

Particulars	Note	As at March 31, 2024	As at March 31, 2023
<b>Current</b>			
<b>Financial assets</b>			
First charge			
Trade receivables	12(a)	29,666.82	29,624.44
Loans	12(d)	14.39	19.23
Other financial assets	12(e)	247.77	89.40
		<b>29,928.98</b>	<b>29,733.07</b>
<b>Non-financial assets</b>			
Inventories	11	80,646.03	86,172.07
Other current assets	13	1,341.94	922.45
<b>Total current assets pledged as security</b>		<b>1,11,916.95</b>	<b>1,16,827.59</b>
<b>Non-Current</b>			
<b>Financial assets</b>			
First charge			
Security deposits	8(b)	205.78	168.52
<b>Non-financial assets</b>			
Property, plant and equipment	3(a)	23,672.28	22,980.62
Capital work-in-progress	3(b)	13,468.73	11,745.39
Investment property	4	109.47	-
Other non-current assets	10	563.84	2,935.47
<b>Total non-currents assets pledged as security</b>		<b>38,020.10</b>	<b>37,830.00</b>
<b>Total assets pledged as security</b>		<b>1,49,937.05</b>	<b>1,54,657.59</b>

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

- 46** The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective. Based on a preliminary assessment, by the Group, the additional impact on Provident Fund contributions by the Group is not expected to be material, whereas, the likely additional impact on Gratuity liability / contributions by the Group could be material. The Group will complete their evaluation and will give appropriate impact in the standalone financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.
- 47** Information as required to be furnished as per section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) for the year ended March 31, 2024 is given below. This information has been determined to the extent such parties have been identified on the basis of information available with the Group:

Particulars	As at March 31, 2024	As at March 31, 2023
i Principal amount and interest due thereon remaining unpaid to any supplier covered under MSMED Act:		
Principal	238.12	-
Interest	2.34	-
ii The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with amounts of the payments made to the supplier beyond the appointed day during each accounting Year.		
Principal Paid during Financial year	55.01	35.55
Interest Paid during Financial year*	1.33	0.42
iii The amount of interest due and payables for the period of delay in making payment (Which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act.	-	-
iv The amount of Interest accrued and remaining unpaid at the end of each accounting year.		
Accounting year ended March 31, 2024	2.34	-
Accounting year ended March 31, 2023	-	-
v The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above actually paid to the small enterprise for the purpose of disallowance as a deductible enterprise under section 23 of the MSMED Act,2006.	2.34	-

\*The interest has been reversed since the same was not required to be paid as per the agreement/PO

### 48 Contract assets and contract liabilities

The following table provides information about trade receivables and contract liabilities from contracts with the customers:

Particulars	As at March 31, 2024	As at March 31, 2023
Trade Receivables (refer note 12(a))	29,666.82	29,624.44
<b>Total trade receivables</b>	<b>29,666.82</b>	<b>29,624.44</b>
Advance from customers (contract liabilities) (refer note 20 & 22)	13,608.21	11,455.69
<b>Total advance from customers (contract liabilities)</b>	<b>13610.48</b>	<b>11,455.69</b>

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

**49** The Group has received Refund of Terminal Excise Duty during the financial years 2014-15, 2015-16 & 2016-17 from the Director of Foreign Trade (DGFT), Ahmedabad on the basis of issuance of an Advance Release Order (ARO) by DGFT, Mumbai. On 28th November, 2019, the Additional Director of Foreign Trade, Ahmedabad has issued show cause notice (which is primary stage of adjudication) stating that the refunds were erroneously paid by this office and directed to pay back the amount of INR 7,828.87 along with interest @ 15%. The Additional Director of Foreign Trade, Ahmedabad has also provided an opportunity to the Group to appear before the Authority which is mandatory requirement before adjudicating. In terms of the provisions of the Act, the Group filed the writ petition before Hon'ble Gujarat High Court against the Show Cause Notice challenging the legality of the notice and the Hon'ble court has granted interim relief and also stayed the show cause notice proceedings.

### 50 Changes in accounting policies and disclosures

#### (a) New and amended standards and interpretations

##### (i) Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

These amendments had no impact on the financial statements of the Group.

##### (ii) Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments have had an impact on the disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the financial statements of the Group.

##### (iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases. These amendments had no impact on the financial statements of the Group.

Apart from these, consequential amendments and editorials have been made to other Ind AS like Ind AS 101, Ind AS 102, Ind AS 103, Ind AS 107, Ind AS 109, Ind AS 115 and Ind AS 34.

#### (b) Standards issued but not yet effective

There are no such standards or amendment issued which are not effective as on date.

### 51 Other Amendments as per Sch III of the Companies Act, 2013

- a) The Group does not have any benami property, nor any proceeding has been initiated or pending against the Group for holding any benami property.
- b) The Group has not traded or invested in Crypto Currency or Virtual Currency during the financial year.
- c) The Group 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:
  - (i) 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
  - (ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries
- d) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
  - (i) 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
  - (ii) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

- e) The Group does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- f) The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of layers) Rules, 2017.
- g) The Group is not declared wilful defaulter by any bank or financial institution or other lender during the year.
- h) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- i) The Group has used the borrowings from banks and financial institutions for the specific purpose for which it was obtained.
- j) The title deeds of all the immovable properties (other than immovable properties where the Group is the lessee and the lease agreements are duly executed in favour of the Group) disclosed in the financial statements included in property, plant and equipment and capital work-in progress are held in the name of the Group as at the balance sheet date.
- k) The Group does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- l) The Group does not have any loan or advance in the nature of loans granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are:
  - (a) repayable on demand; or
  - (b) without specifying any terms or period of repayment

### 52 Audit Trail:

The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by Companies (Accounts) Amendment Rules, 2021 requiring companies, which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating and edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

The Company has enabled the audit trail(edit logs) facility of the accounting software used for maintenance of all accounting records. However, audit trail (edit logs) are enabled at application level and not at database level because enabling this facility will severely impacts ERP performance due to direct impact on space utilisation.

#### In respect for Joint Venture

The Company has used accounting software for maintaining its books of account which have a feature of recording audit trail (edit logs) facility and the same has operated through out the year for all relevant transactions recorded in the software except for the period starting from April 01, 2023 till august 6., 2023, where the ealier software version was used and did not have the audit trail feature.

### 53 Subsequent Event:

On April 28, 2024, a fire incident occurred at the Chopanki Plant. The Group has assessed the expected loss from the fire to be INR 460.00.

According to IND AS 10 "Events after the Reporting Period," this is considered a non-adjusting event. The Group does not anticipate any impact on its ability to continue as a going concern due to the fire at the Chopanki Plant.

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

### 54 Statutory Group Information

As at March 31, 2024

Name of the entity in the Group	Consolidated Net Assets, i.e. Total Assets minus Total Liabilities		Share in Consolidated Profit and Loss		Share in Consolidated Other Comprehensive Income		Share in Consolidated Total Comprehensive Income	
	Amount	As % of Consolidated Net Assets	Amount	As % of Consolidated Net Assets	Amount	As % of Consolidated Other Comprehensive Income	Amount	As % of Consolidated Total Comprehensive Income
<b>Parent</b>								
Insecticides (India) Limited	1,01,110.42	99.76%	10,262.55	100.25%	166.93	94.95%	10,429.48	100.16%
<b>Indian subsidiaries</b>								
IL Biological Limited	135.61	0.13%	(58.28)	-0.57%	-	0.00%	(58.28)	-0.56%
<b>Dubai subsidiaries</b>								
IL Overseas DMCC (Dubai)	10.66	0.01%	(0.47)	0.00%	-	0.00%	(0.47)	0.00%
<b>Joint venture (Investment as per equity method)</b>								
OAT & IIL India Laboratories Private Limited	306.10	0.30%	31.02	0.30%	8.87	5.05%	39.89	0.38%
<b>Total</b>	<b>1,01,562.79</b>		<b>10,234.82</b>		<b>175.80</b>		<b>10,410.62</b>	
Adjustment out of consolidation	209.43	0.21%	(1.70)	-0.02%	-	0.00%	(1.70)	-0.02%
<b>Total equity</b>	<b>1,01,353.36</b>		<b>10,236.52</b>		<b>175.80</b>		<b>10,412.32</b>	

As at March 31, 2023

Name of the entity in the Group	Consolidated Net Assets, i.e. Total Assets minus Total Liabilities		Share in Consolidated Profit and Loss		Share in Consolidated Other Comprehensive Income		Share in Consolidated Total Comprehensive Income	
	Amount	As % of Consolidated Net Assets	Amount	As % of Consolidated Net Assets	Amount	As % of Consolidated Other Comprehensive Income	Amount	As % of Consolidated Total Comprehensive Income
<b>Parent</b>								
Insecticides (India) Limited	91,568.87	99.72%	6,298.75	99.65%	28.80	90.25%	6,327.55	99.60%
<b>Indian subsidiaries</b>								
IL Biological Limited	111.89	0.12%	(0.83)	-0.01%	-	0.00%	(0.83)	-0.01%

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in INR in 'Lacs', unless mentioned otherwise)

Name of the entity in the Group	Consolidated Net Assets, i.e. Total Assets minus Total Liabilities		Share in Consolidated Profit and Loss		Share in Consolidated Other Comprehensive Income		Share in Consolidated Total Comprehensive Income	
	Amount	As % of Consolidated Net Assets	Amount	As % of Consolidated Net Assets	Amount	As % of Consolidated Other Comprehensive Income	Amount	As % of Consolidated Total Comprehensive Income
<b>Joint venture (Investment as per equity method)</b>								
OAT & IIL India Laboratories Private Limited	266.22	0.29%	23.20	0.37%	3.11	9.75%	26.31	0.41%
<b>Total</b>	<b>91,946.98</b>		<b>6,321.12</b>		<b>31.91</b>		<b>6,353.03</b>	
Adjustment out of consolidation	118.01	0.13%	-	0.00%	-	0.00%	-	0.00%
<b>Total equity</b>	<b>91,828.97</b>		<b>6,321.12</b>		<b>31.91</b>		<b>6,353.03</b>	

As per our separate report of even date annexed herewith

**For S S KOTHARI MEHTA & CO. LLP**  
Chartered Accountants  
Firm Registration No. - 000756N / N500441

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**  
INSECTICIDES (INDIA) LIMITED  
CIN : L65991DL1996PLC083909

**VIJAY KUMAR**  
Partner  
Membership No.- 092671

**HARI CHAND AGGARWAL**  
Chairman  
DIN: 00577015

**RAJESH KUMAR AGGARWAL**  
Managing Director  
DIN: 00576872

**DEVESH PAREKH**  
Partner  
Membership No. - 092160

**SANDEEP KUMAR**  
Company Secretary  
PAN : AQIPK8144P

**NIKUNJ AGGARWAL**  
Whole Time Director  
DIN: 06569091

**SANDEEP KUMAR AGGARWAL**  
Chief Financial Officer  
PAN : AAVPA7635C

Place : Delhi  
Date : May 28, 2024



CIN: L65991DL1996PLC083909

401-402, Lusa Tower, Azadpur Commercial Complex, Delhi – 110033

[investor@insecticidesindia.com](mailto:investor@insecticidesindia.com)

[www.insecticidesindia.com](http://www.insecticidesindia.com)

## NOTICE OF THE 27<sup>TH</sup> ANNUAL GENERAL MEETING

Notice is hereby given that the 27<sup>th</sup> Annual General Meeting (“AGM”) of the members of **INSECTICIDES (INDIA) LIMITED (“the Company”)** will be held on Monday, 12<sup>th</sup> day of August 2024, at 03:00 PM Indian Standard Time (IST), through Video Conferencing (“VC”) facility, to transact the following businesses:

### Ordinary Business:

#### Item No. 1 - Adoption of Financial Statements

To receive, consider and adopt the Audited standalone and consolidated Financial Statements for the Financial Year ended March 31, 2024 and the Reports of the Board of Directors and Auditors thereon.

#### Item No. 2 - Confirmation of payment of Interim Dividend

To confirm the payment of Interim Dividend of ₹ 3/- (Rupees Three only) per equity share having face value of ₹ 10/- (Rupees Ten only) each already paid during the year as the Final Dividend for the financial year ended March 31, 2024.

#### Item no. 3 - Re-appointment of Smt. Nikunj Aggarwal (DIN: 06569091) as a director liable to retire by rotation

To appoint a director in place of Smt. Nikunj Aggarwal who retires by rotation and, being eligible, seeks re-appointment.

**Explanation:** Based on the terms of appointment, Smt. Nikunj Aggarwal (DIN: 06569091) is subject to retirement by rotation. Nikunj Aggarwal, who was appointed for the current term on May 02, 2023 for the period of five years and whose office is liable to retire at the ensuing AGM, being eligible, seeks re-appointment. Based on performance evaluation and the recommendation of the nomination remuneration and ethics committee, the Board recommends her reappointment.

To consider and if thought fit, to pass the following resolution as an **ordinary resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 152 and rules made thereunder (including any statutory modification and re-enactment thereof) and other applicable provisions of the Companies Act, 2013, the approval of members of the Company, be and is hereby accorded to reappoint Nikunj Aggarwal (DIN: 06569091) as a director, who is liable to retire by rotation”

### Special Business:

#### Item No. 4 - Ratification of remuneration of Cost Auditors for the financial year 2024-25

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED** that pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration, as approved by the Board of Directors and set out in the Statement annexed to the Notice of AGM, to be paid to M/s Aggarwal Ashwani K & Associates, Cost Accountant, Firm Registration No. 100191 the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of cost records of the Company for the financial year ending March 31, 2025, be and is hereby ratified

**RESOLVED FURTHER** that the Board of Directors (including any Committee thereof) be and is hereby authorized to do all acts and take all such steps as may be necessary, proper, or expedient to give effect to this resolution.”

#### Item No. 5 - Re-appointment of Shri Rajesh Kumar Aggarwal (DIN: 00576872) as Managing Director

To re-appoint Shri Rajesh Kumar Aggarwal as Managing Director and, in this regard, to pass, the following resolution as a **Special Resolution**:

“**RESOLVED** that in accordance with the provisions of Sections 196, 197, 198 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other rules made thereunder and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (the “Listing Regulations”) (including any statutory modification(s) or reenactment(s) thereof, for the time being in force), the approval of the Members be and is hereby accorded to re-appoint Shri Rajesh Kumar Aggarwal (DIN: 00576872) as Managing Director of the Company, for a period of 5 (five) years, w.e.f November 15, 2024 to November 14, 2029, not liable to retire by rotation, on the terms and conditions



as set out in the Statement annexed to the Notice convening this Meeting, with a liberty to the Board of Directors to alter and vary the terms and conditions of the said appointment so as the total remuneration payable to him shall not exceed the limits specified in Schedule V to the Companies Act, 2013 including any statutory modification(s) or re-enactment thereof, for the time being in force and as agreed by and between the Board of Directors and Shri Rajesh Kumar Aggarwal without any further reference to the Company in General Meeting.

**RESOLVED FURTHER** that the approval of the Members for the re-appointment of Shri Rajesh Kumar Aggarwal in terms of the aforesaid resolution, shall be deemed to be their approval in terms of Regulation 17(1D) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for his continuation as a director not liable to retire by rotation for 5 (five) years upto November 14, 2029;

**RESOLVED FURTHER** that the Board of Directors of the Company (with term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution."

**Item No. 6 – Re-appointment of Smt. Praveen Gupta (DIN:00180678) as an Independent Women Director**

To re-appoint Smt. Praveen Gupta as Independent Women Director and in this regard, to pass, the following resolution as a **Special Resolution**:

**"RESOLVED** that in accordance with the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and any other rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") (including any statutory modification(s) or re-enactment thereof for the time being in force), and subject to such other laws, rules and regulations as may be applicable in this regard and in respect of whom the Company has received a Notice in writing from a Member under Section 160(1) of the Act proposing her candidature for the office of Director, Smt. Praveen Gupta (DIN:00180678) who was re-appointed as Independent Women Director by the Board of Directors (the "Board"), based on the recommendation of the Nomination, Remuneration and ethics Committee and who has submitted a declaration that she meets the criteria for independence as provided in the Act and SEBI Listing Regulations, be and is hereby re-appointed as an Independent women Director of the Company, not liable to retire by rotation, with effect from February 15, 2025 to hold office for a second term of 5 (five) consecutive years i.e. from February 15, 2025 till February 14, 2030"

**RESOLVED FURTHER** that the Board of Directors of the Company (with term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution."

**Insecticides (India) Limited**

CIN: L65991DL1996PLC083909

401-402, Lusa Tower,

Azadpur Commercial Complex,

Delhi – 110033

[investor@insecticidesindia.com](mailto:investor@insecticidesindia.com)

[www.insecticidesindia.com](http://www.insecticidesindia.com)

By Order of the Board of Directors  
**For Insecticides (India) Limited**

**Sandeep Kumar**

Company Secretary & CCO

Delhi, June 24, 2024

**Notes:**

1. In terms of latest General Circular No. 09/2023 dated September 25, 2023 and earlier circulars issued in regard to AGM through VC/OAVM by the Ministry of Corporate Affairs (“MCA circular”) read with the Securities and Exchange Board of India Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 7, 2023 and earlier circulars issued in this regard (“SEBI circular”) and in compliance with the provisions of the Companies Act, 2013 (“Act”) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulation, 2015 (“Listing Regulations”), has permitted the holding of the Annual General Meeting (“AGM”) through VC/ OAVM, without the physical presence of the Members at a common venue. The 27<sup>th</sup> Annual General Meeting (AGM) of the members of the Company is being conducted through VC/OAVM on Monday, August 12, 2024 at 03:00 p.m. The deemed venue of the proceedings of the 27<sup>th</sup> AGM shall be the Registered Office of the Company situated at 401-402, Lusa Tower, Azadpur Commercial Complex, Delhi – 110033.
2. An Explanatory statement pursuant to Section 102(1) of the Act, relating to the Special Business to be transacted at the AGM is annexed hereto.
3. The relevant details, pursuant to Regulation 36(3) and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 and Secretarial Standard 2 on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM is annexed hereto.
4. **PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC/OAVM, PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THE 27TH AGM AND HENCE THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP ARE NOT ANNEXED TO THIS NOTICE.**
5. Members attending the AGM through VC shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
6. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned certified copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization/POA etc., authorizing its representative to attend the AGM through VC on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered e-mail address to [associatemd@gmail.com](mailto:associatemd@gmail.com) with a copy marked to [investor@insecticidesindia.com](mailto:investor@insecticidesindia.com) and [evoting@cdslindia.co.in](mailto:evoting@cdslindia.co.in) and upload by clicking on “Upload Board Resolution/ Authority Letter” displayed under “e-Voting” tab in their login at [www.evotingindia.com](http://www.evotingindia.com) or sent through post to the registered office of the company.
8. In line with the MCA Circulars, the Notice of the AGM along with the Annual Report 2023-24 is being sent by electronic mode to those Members whose email addresses are registered with the Company/Depository Participants, unless any Member has requested for a physical copy of the same. The Company shall send a physical copy of the Annual Report 2023-24 to those Members who request the same at [investor@insecticidesindia.com](mailto:investor@insecticidesindia.com) mentioning their Folio No. / DP ID and Client ID. The Notice convening the 27<sup>th</sup> AGM has been uploaded on the website of the Company at [www.insecticidesindia.com](http://www.insecticidesindia.com) under ‘Investors’ section and can also be accessed on the websites of the Stock Exchanges i.e. BSE Limited and the National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively, and on the website of CDSL at <https://evotingindia.com>
9. The Register of directors and key managerial personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e. August 12, 2024. Members who wish to inspect such documents can send their request to the Company at [investor@insecticidesindia.com](mailto:investor@insecticidesindia.com) by mentioning name and Folio number/DPID and Client ID.
10. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before August 09, 2024 through e-mail on [investor@insecticidesindia.com](mailto:investor@insecticidesindia.com). The same will be replied by the Company suitably.
11. The “**Cut-off Date**” for determining eligibility of the members for the purpose of remote e-voting, for participation in the AGM through VC/OAVM facility and e-voting during the AGM is Monday the 05<sup>th</sup> day of August, 2024

## 12. TDS on Dividend paid or distributed:

In term of the provisions of the Income Tax Act, 1962, dividend paid or distributed by the company shall be taxable in the hands of the Shareholders and the Company is required to deduct TDS from dividend paid to the Members at rates prescribed in the Income Tax Act, 1961. In general, to enable compliance with TDS requirements, Members are requested to complete and/or update their Residential Status, Permanent Account Number ('PAN'), Category as per the IT Act with their Depository Participants ('DPs') or in case shares are held in physical form, with the Company/Alankit Assignments Limited, Registrar and Transfer Agent ('Registrar' or 'RTA' or 'AAL') by sending documents through email. The detailed process is available on the website of the Company at: <https://www.insecticidesindia.com>

Updation of mandate for receiving dividends directly in bank account through Electronic Clearing System or any other means in a timely manner:

**Shares held in physical form:** Members are requested to send the following documents in original to AAL.

- i. Form ISR-1 along with the supporting documents. The said form is available on the website of the Company at <https://www.insecticidesindia.com/wp-content/uploads/2022/01/ISR-1.pdf>.
- ii. original cancelled cheque bearing the name of the Member or first holder, in case shares are held jointly. In case name of the holder is not available on the cheque, kindly submit the following documents:-
  - cancelled cheque in original.
  - bank attested legible copy of the first page of the Bank Passbook / Bank Statement bearing the names of the account holders, address, same bank account number and type as on the cheque leaf and the full address of the Bank branch.
- iii. self-attested photocopy of the PAN Card of all the holders; and
- iv. self-attested photocopy of any document (such as Aadhaar Card, Driving Licence, Election Identity Card, Passport) in support of the address of the first holder as registered with the Company.

**Shares held in electronic form:** Members may please note that their bank details as furnished by the respective Depositories to the Company will be considered for remittance of dividend as per the applicable regulations of the Depositories and the Company will not be able to accede to any direct request from such Members for change/addition/deletion in such bank details.

Accordingly, the Members holding shares in demat form are requested to ensure that their DPs update their Electronic Bank Mandate.

Further, please note that instructions, if any, already given by the Members in respect of shares held in physical form will not be automatically applicable to the dividend paid on shares held in electronic form.

For Members who are unable to receive the dividend directly in their bank accounts through Electronic Clearing Service or any other means due to non-registration of the Electronic Bank Mandate, the Company shall despatch the dividend warrant/demand draft to such Members.

## 13. Unpaid/Unclaimed Dividend

Pursuant to the provisions of Section 124 of the Act, the dividend which remains unpaid/unclaimed for a period of seven consecutive years from the date of transfer to the unpaid dividend account of the Company is required to be transferred to the Investor Education and Protection Fund ('IEPF') established by the Central Government. Members are also requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, the shares in respect of such unclaimed dividends are also liable to be transferred to the DEMAT account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. The due date for transfer of unclaimed / unpaid dividend or shares to IEPF is available on the website of the company at <https://www.insecticidesindia.com/wp-content/uploads/2024/06/List-of-shareholder-whose-share-are-liable-to-be-transferred-to-IEPF-1.pdf>. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on [www.iepf.gov.in](http://www.iepf.gov.in)

The Company has sent individual letters to all the Members holding shares of the Company in physical form for furnishing their PAN, KYC details and Nomination pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated 3 November, 2021.

14. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated 25 January, 2022 has mandated the Listed Companies to issue securities in demat form only while processing service requests viz. Issue of duplicate securities certificate; claim from Unclaimed Suspense Account; Renewal/Exchange of securities certificate; Endorsement; Sub-division/Splitting of securities certificate; Consolidation of securities certificates/ folios; Transmission and Transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4, the format of which is available on the Company's website.

15. Members holding equity shares of the Company in physical form are requested to kindly get their equity shares converted into demat/electronic form to get inherent benefits of dematerialisation and also considering that physical transfer of equity shares/issuance of equity shares in physical form have been disallowed by SEBI. SEBI has made it mandatory for all Companies to use the bank account details furnished by the Depositories and the bank account details maintained by the RTA for payment of dividend to Members electronically. The Company has extended the facility of electronic credit of dividend directly to the respective bank accounts of the Member(s) through Electronic Clearing Service (ECS)/ National Electronic Clearing Service (NECS)/Automated Clearing House (ACH)/Real Time Gross Settlement (RTGS)/Direct Credit/ IMPS/NEFT etc.
16. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, Alankit Assignments Limited ("AAL").
17. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to AAL in case the shares are held by them in physical form.
18. **Nomination facility:** As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form ISR-3 or Form SH-14 as the case may be. The said forms can be downloaded from the website of the Company at [www.insecticidesindia.com](http://www.insecticidesindia.com) Members are requested to submit the requisite form to their DPs in case the shares are held in electronic form and to the Registrar in case the shares are held in physical form, quoting their folio no.
19. Members may contact AAL at rameshk1@alankit.com for any assistance relating to the shares of the Company.
20. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DPs and holdings should be verified from time to time.
21. **Process for registering email addresses to receive the credentials for remote e-Voting along with this Notice:** Member, whose email address is not registered with the Company/RTA or with their respective DPs and who wish to receive the credentials for remote e-Voting along with the Notice of the 27<sup>th</sup> AGM and the Annual Report 2023-24 can get their email address registered by sending a request to the Company at [investor@insecticidesindia.com](mailto:investor@insecticidesindia.com) on or before 5.00 p.m. (IST) on August 05, 2024.
22. **Registration of email addresses permanently with the Company / DPs:** To support the Green initiative, Members are requested to register their email addresses with their concerned DPs, in respect of electronic holding and with AAL, in respect of physical holding. Further, those members who have already registered their email addresses are requested to keep their email addresses validated/updated with their DPs/ AAL for all future communications.
23. In terms of the provisions of Section 152 of the Act, Smt. Nikunj Aggarwal, Whole-time Director of the Company, retire by rotation at this Meeting. Nomination, Remuneration and Ethics Committee and the Board of Directors of the Company recommend her re-appointment. The details of Smt. Nikunj Aggarwal, Whole Time Director, seeking re-appointment, pursuant to Regulation 36(3) of the SEBI Listing Regulations, 2015 and other applicable provisions are annexed herewith this notice. The Company has received the requisite consents/declarations for the appointment/re-appointment under the Companies Act, 2013 and the rules made thereunder.
24. The Company has provided the facility to Members to exercise their right to vote by electronic means both through remote e-voting and e-voting during the AGM. The process and instructions for remote e-voting are provided in the subsequent pages. Such remote e-voting facility is in addition to voting that will take place at the 27<sup>th</sup> AGM being held through VC.
25. **Instructions for electronic voting and joining the AGM through Video Conferencing (VC)**
  - (i) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements)

Regulations 2015 (as amended), read with SEBI circulars and MCA Circulars the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

- (ii) The Members can join the AGM in the VC mode 30 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- (iii) The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
- (iv) In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.insecticidesindia.com](http://www.insecticidesindia.com) The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).
- (v) The AGM has been convened through VC in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circulars.
- (vi) Pursuant to MCA Circulars, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body

corporate can attend the AGM through VC and cast their votes through e-voting.

- (vii) The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date. Only those Members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date will be entitled to cast their votes by remote e-voting or e-voting during the AGM. Those who are not Members on the cut-off date should accordingly treat this Notice as for information purposes only.
- (viii) Any person, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com). However, if he/she is already registered with CDSL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.
- (ix) Members who hold shares in the certificate form or who have not registered their e-mail addresses with the Company or with the Depositories and wish to receive the AGM Notice and the Report and Accounts, or participate in the AGM, or cast their votes through remote e-voting or e-voting during the meeting, are required to register their e-mail addresses on the Company's corporate website under the section 'Investor's desk'. Alternatively, Members may send a letter requesting for registration of their e-mail addresses, mentioning their name and DP ID & Client ID / folio number, by post to the registered office of the company or scanned copy thereof through e-mail at [investor@insecticidesindia.com](mailto:investor@insecticidesindia.com).
- (x) Members who would like to express their views or ask questions with respect to the agenda items of the meeting will be required to register themselves as speaker by sending e-mail to the Company at [investor@insecticidesindia.com](mailto:investor@insecticidesindia.com) from their registered e-mail address, mentioning their name, DP ID & Client ID / folio number and mobile number. Only those Members who have registered themselves as speaker by August 05, 2024 will be able to speak at the meeting. The Company reserves the right to restrict the number of questions and number of speakers, depending upon availability of time, for smooth conduct of the AGM.

(xi) **The process and manner for remote e-voting and joining virtual meetings are as under:**

- a) The voting period begins on **August 08, 2024 at 09:00 AM and ends on August 11, 2024 at 05:00 PM. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of August 05, 2024** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- b) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- c) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance

of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

**Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders**

holding shares in demat mode.

- d) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL Depository</b>	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsl website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at cdsl website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>



Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with <b>NSDL Depository</b>	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select “Register Online for IDeAS “Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants</b>	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL**

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 21 09 911
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at : 022 - 4886 7000 and 022 - 2499 7000

**Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.**

- e) Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.
- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - 2) Click on “Shareholders” module.

- 3) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

For Physical shareholders and other than individual shareholders holding shares in Demat.	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.</li> </ul>

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| <ol style="list-style-type: none"> <li>f) After entering these details appropriately, click on "SUBMIT" tab.</li> <li>g) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.</li> <li>h) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.</li> <li>i) Click on the EVSN for the relevant &lt;Company Name&gt; on which you choose to vote.</li> <li>j) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies</li> </ol> | <ol style="list-style-type: none"> <li>that you assent to the Resolution and option NO implies that you dissent to the Resolution.</li> <li>k) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.</li> <li>l) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.</li> <li>m) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.</li> <li>n) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.</li> <li>o) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password &amp; enter the details as prompted by the system.</li> <li>p) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.</li> </ol> |
|--|---|



q) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [investor@insecticidesindia.com](mailto:investor@insecticidesindia.com) if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

26 **PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.**

- 1) For Physical shareholders - please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned

copy of Aadhar Card) by e-mail to Company/RTA email id.

- 2) For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP)
- 3) For Individual Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

27 **INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meeting & e-Voting on the day of the AGM/ is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 7 days prior to meeting mentioning their name, demat account

number/folio number, email id, mobile number at [investor@insecticidesindia.com](mailto:investor@insecticidesindia.com). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [investor@insecticidesindia.com](mailto:investor@insecticidesindia.com). These queries will be replied to by the company suitably by e-mail.

8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat accounts.
10. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
11. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

**28. PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company/RTA email id.

2. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

**29. Other Instructions**

1. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on [www.evotingindia.com](http://www.evotingindia.com) to reset the password.
2. If you have any queries or issues regarding e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 18002109911
3. All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call at toll free no. 18002109911
4. The Board of Directors has appointed Mr. Mayank Dubey, Practicing Company Secretary (Membership No. F9203; CP 10819), as the scrutinizer (“Scrutinizer”) to scrutinize the voting at the meeting and remote e-voting process in a fair and transparent manner.
5. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the Meeting, thereafter unblock

the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company, not later than 48 hours of conclusion of the Meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same.

6. The facility for joining the AGM shall open 30 minutes before the scheduled time for commencement of the AGM and shall be closed after the expiry of 30 minutes after such schedule time.

7. The result declared along with the Scrutinizer's Report shall be placed on the Company's website [www.insecticidesindia.com](http://www.insecticidesindia.com) and on the website of CDSL [www.evotingindia.com](http://www.evotingindia.com) immediately after the declaration of Results by the Chairman or a person authorized by him. The Company shall simultaneously forward the results to the National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed.

**Insecticides (India) Limited**

CIN: L65991DL1996PLC083909

401-402, Lusa Tower,

Azadpur Commercial Complex,

Delhi – 110033

[investor@insecticidesindia.com](mailto:investor@insecticidesindia.com)

[www.insecticidesindia.com](http://www.insecticidesindia.com)

By Order of the Board of Directors  
**For Insecticides (India) Limited**

**Sandeep Kumar**

Company Secretary & CCO

Delhi, June 24, 2024

## EXPLANATORY STATEMENT IN RESECT TO THE SPECIAL BUSINESSES PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

Pursuant to Section 102 of the Companies Act, 2013 ('the Act'), the following Explanatory Statement(s) sets out all material facts relating to the business mentioned under Item Nos. 4 to 6 of the accompanying Notice dated June 24, 2024.

### Item no. 4

#### Ratification of remuneration of Cost Auditors for the financial year 2024-25

The Board of Directors of the Company on the recommendation of the Audit Committee has approved the appointment and remuneration of Aggarwal Ashwani K. & Associates, Cost Accountants, Delhi (Firm Regd. No. 100191), to conduct the audit of the cost records of the Company for the financial year ending March 31, 2025.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board, has to be ratified by the members of the Company.

M/s. Aggarwal Ashwani K. & Associates, Cost Accountants, Delhi (Firm Regd. No. 100191), have furnished certificates regarding their eligibility for appointment as Cost Auditors of the Company. In accordance with the provisions of Section 148 of the Act read with the Rules, the remuneration payable to the cost auditor has to be ratified by the shareholders of the Company.

Accordingly, ratification by the members is sought for the remuneration of ₹ 6,10,000/- (Rupees Six Lakhs Ten Thousand Only) (excluding out of pocket expenses and applicable taxes) payable to the Cost Auditor for Financial year ending March 31, 2025 by passing Ordinary Resolution as set out at Item No. 4 of the Notice.

Based on the recommendation of the Audit Committee, the Board recommends the Ordinary Resolution set out at Item No. 4 of the accompanying Notice for approval of the Members of the Company.

None of the Directors or Key Managerial Personnel ('KMP') of the Company and their respective relatives is concerned or interested, financially or otherwise, in the Resolution set out at Item No. 4 of the accompanying Notice.

### Item no. 5

#### Re-appointment of Shri Rajesh Kumar Aggarwal (DIN: 00576872) as Managing Director

Shri Rajesh Kumar Aggarwal is currently a Managing Director of the Company and a Member of Finance Committee; Corporate Social Responsibility and Sustainability Committee and Risk Management Committee.

Based on the performance evaluation and on the recommendation of the Nomination, Remuneration and ethics committee, the Board of Directors in their meeting held on May 28, 2024 had re-appointed Shri. Rajesh Kumar Aggarwal (DIN: 00576872) as Managing Director of the Company w.e.f November 15, 2024, not liable to retire by rotation, for a period of five years subject to the approval of members.

The disclosure in accordance with the provisions of Regulation 36 (3) of the Listing Regulations read with Section 102 of the Companies Act, 2013, Secretarial Standard-2 and other applicable provisions, if any, in regard to the re-appointment of Managing Director is given below and Annexed to this notice.

Shri. Rajesh Kumar Aggarwal, born on September 2, 1970 having an experience of more than three decade, Shri Rajesh Kumar Aggarwal has promoted the Insecticides (India) Limited in 1996, Insecticides (India) Limited is the Brain child of Shri Rajesh Kumar Aggarwal. He has established the basic fundamentals of the Company and started commercial operations from 2002, with a robust skill set that includes, Marketing, Sales, Strategy, Business Process Improvement, Pricing and more, Rajesh Kumar Aggarwal contributes valuable insights to the company and the Agro-chemical industry. Today, he is also the Vice Chairman of CCFI (Crop Care Federation of India), the member of the Managing Committee of PMFAI (Pesticides Manufacturers & Formulators Association of India).

The Company has received all statutory disclosures / declarations including, (i) consent in writing to act as director in Form DIR-2, pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 ("the Appointment Rules"), (ii) intimation in Form DIR-8 in terms of the Appointment Rules to the effect that he is not disqualified under sub-section (2) of Section 164 of the Act. The Board confirms that Shri Rajesh Kumar Aggarwal is not debarred from holding the office of director pursuant to any SEBI order or any other authority. He fulfils the eligibility criteria set out under Part I of Schedule V to the Companies Act, 2013. The remuneration payable to Shri Aggarwal is in line with the provisions of Schedule V to the Companies Act, 2013, as may be amended from time to time.

The brief particulars of re-appointment and remuneration payable to Mr Rajesh Kumar Aggarwal as Managing Director of the Company, are as follows:

**Period of Appointment:** five years w.e.f November 15, 2024

#### Remuneration:

##### I. Basic Salary:

₹ 5,00,000/- (Rupees Five lakhs) per month the scale of ₹ 5,00,000 – 6,00,000/- per month

The annual increments which will be effective from April 01, of each year, (starting from April 01, 2025) as may be decided by the Board of Directors on the recommendation of Nomination, Remuneration and Ethics Committee as such based on the merit and performance of the Director and also after taking into account the overall performance of the Company.

## II. Perquisites / Allowances:

In addition to basic salary the Director shall also be entitled to the Rent-free residential accommodation (furnished or otherwise) with the Company bearing the cost of repairs, maintenance, society charges and utilities (e.g. gas, electricity and water charges) for the said accommodation or House Rent, House Maintenance and Utility Allowances aggregating 85% of the annual basic salary in case residential accommodation is not provided by the Company. Medical Reimbursement, Leave, Leave Travel Concession, Personal Accident Insurance, conveyance, Car, Driver, Contribution to Provident Fund, Superannuation Fund or Annuity Fund and Gratuity Fund as per the Rules of the Company and other allowances / perquisites as per policy of the Company.

The Company will take an appropriate Directors' and Officers' Liability Insurance Policy and pay the premiums for the same. It is intended to maintain such insurance cover for the entire Term, subject to the terms of such policy in force for time to time.

## III. Commission:

Upto 5% of the Company's net profit for each financial year as calculated in accordance with Section 198 of the Companies Act, 2013 subject to the overall ceiling laid down in Sections 197 of the Companies Act, 2013.

## IV. Minimum Remuneration:

In the event of absence or inadequacy of profits of the Company in any financial year, Mr Rajesh Kumar Aggarwal will be entitled to receive the same remuneration, perquisites and benefits as aforesaid, subject to the compliance with the applicable provisions of Schedule V of the Act.

In addition to the above, he may be provided benefits, allowances or perquisites as may be determined by the Board of Directors or Nomination, Remuneration and Ethics Committee within the overall ceiling limit of Schedule V of the Act. The Board of Directors or Nomination, Remuneration and Ethics Committee is authorized to fix, alter and/or vary from time to time the quantum / periodicity / composition of the remuneration payable to the Managing Director, including the modes of payment, in such manner and to such extent not exceeding the limits specified in the Act and Schedule V thereto or such other provisions as may be applicable in this regard, as in force from time to time.

A copy of the draft letter for the appointment of Shri Rajesh Kumar Aggarwal, Managing Director setting out the terms and conditions is available for electronic inspection without any fee by the members.

Shri Rajesh Kumar Aggarwal satisfies the conditions as set out in Sections 196, 197 and Schedule V to the Act, for being eligible for re-appointment. This along with the relevant resolution, may be treated as an abstract pursuant to Section 190 of the Companies Act, 2013.

The Board of Directors recommend the said resolution, as set out in the item no. 5 of the Notice, for your approval.

Except Shri Rajesh Kumar Aggarwal, Shri Hari Chand Aggarwal, Smt. Nikunj Aggarwal and their relatives, none of the other Directors or Key Managerial Personnel or their relatives is, in anyway, concerned or interested financially or otherwise in the said resolution.

## Item no. 6

### Re-appointment of Smt. Praveen Gupta (DIN:00180678) as an Independent Women Director

Smt. Praveen Gupta is currently an Independent Director of the Company, Chairperson of the Audit Committee and member of Stakeholder Relationship Committee and Nomination, Remuneration and Ethics Committee.

As per Section 149(10) of the Act, an Independent (Women) Director shall hold office for a term of five consecutive years on the Board of a Company and shall be eligible for re-appointment on passing a special resolution by the Company for another term of upto five consecutive years on the Board of a Company.

Based on the performance evaluation and recommendation of Nomination, Remuneration and Ethics Committee taking into consideration of the skills, expertise and competencies, required for the Board and the rich experience of Smt. Praveen Gupta of over 2 decade and meets the skills and capabilities required for the role of Independent Directors of the Company and in terms of the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and any other rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") (including any statutory modification(s) or re-enactment thereof for the time being in force), and subject to such other laws, rules and regulations as may be applicable in this regard, Smt. Praveen Gupta, being eligible for re-appointment as an Independent Women Director and offering herself for re-appointment, is proposed to be re-appointed as an Independent Women Director for second term of five consecutive years from February 15, 2025 to February 14, 2030. The Company has in terms of Section 160(1) of the Companies Act, 2013 ('the Act') received a notice from a

Member proposing her candidature for the office of Director. The Company has received from her all statutory disclosures / declarations including, (i) consent in writing to act as director in Form DIR-2, pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 (“the Appointment Rules”), (ii) intimation in Form DIR-8 in terms of the Appointment Rules to the effect that she is not disqualified under sub-section (2) of Section 164 of the Act, and (iii) a declaration to the effect that she meets the criteria of independence as provided in sub-section (6) of Section 149 of the Act. The Board confirms that Smt. Parveen Gupta is not debarred from holding the office of director pursuant to any SEBI order or any other authority

The Board is of the opinion that Smt. Praveen Gupta continue to possess the identified core skills, expertise and competencies for effective functioning in her role as an Independent Director of the Company and her continued association would be of benefit to the Company her first term has contributed exceptionally as legal expert in relation to the audit and system checks she has in-debt business understanding of audit and brought tremendous value to the Board and to the Company. She fulfils the conditions for independence specified in the Act, the Rules made thereunder and the SEBI (Listing Obligations

and Disclosure Requirements) Regulations, 2015 and such other laws / regulations for the time being in force, to the extent applicable to the Company.

A copy of the draft letter for the appointment of Smt. Praveen Gupta as an independent director setting out the terms and conditions is available for electronic inspection without any fee by the members.

The resolution seeks the approval of members for the appointment of Smt. Praveen Gupta as non-executive independent women director of the Company up to February 14, 2030 pursuant to Sections 149, 152 and other applicable provisions of the Act and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof) and her office shall not be liable to retire by rotation.

The Board recommends the Special Resolution set out at Item No. 6 of the accompanying Notice for approval of the Members of the Company.

None of the Directors or Key Managerial Personnel (‘KMP’) of the Company and their respective relatives is concerned or interested, financially or otherwise, in the Resolution set out at Item No. 6 of the accompanying Notice.

**Insecticides (India) Limited**

CIN: L65991DL1996PLC083909

401-402, Lusa Tower,

Azadpur Commercial Complex,

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By Order of the Board of Directors  
**For Insecticides (India) Limited**

**Sandeep Kumar**

Company Secretary & CCO

Delhi, June 24, 2024

## Annexure to the Notice dated June 24, 2024

Information of Director retiring by rotation and the Directors seeking appointment and re-appointment at the Annual General Meeting pursuant to Regulation 26 and 36 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, in accordance with provisions of Companies Act, 2013 and Secretarial Standards, as on the date of Notice:

Name	Smt. Nikunj Aggarwal	Shri Rajesh Kumar Aggarwal	Smt. Praveen Gupta
Age	51 Years	53Years	52 Years
DIN	06569091	00576872	00180678
Designation / Category of Director	Whole-time Director	Managing Director	Independent (Women) Director
Date of Birth	January 01, 1973	September 2, 1970	August 09, 1971
Date of First Appointment on the Board	May 02, 2013	December 18, 1996	February 15, 2020
Qualification	Graduate	Graduate	B.Com (Delhi University), Chartered Accountant (CA)
Background, Expertise and Qualification	<p>Smt. Nikunj Aggarwal is a B.com (Hons) from Hans Raj College, Delhi University, she has a diverse experience over 18 Years in Administration, Strategy and Customer relationship in Agro Chemical Industry.</p> <p>She has been whole-time Director of the Company for nearly 10 years and is responsible for the overall transformation of the Company over the last several years by managing numerous portfolios from Admin, Business Development, and CSR related activities.</p>	<p>Shri Rajesh Aggarwal is a name to recon with in the crop protection &amp; nutrition industry with over 30 years of experience. He has showcased remarkable growth under his stewardship. With a graduation in Commerce followed by a Diploma in Marketing, Shri Rajesh started his career in 1993.</p> <p>Vast experience in Agro Chemical Industry including Marketing, Manufacturing and Administration. He helped the Company to grow extensively over the period of time. He is playing vital role in formulation business strategies and effective implementation of the same</p>	<p>Smt. Praveen Gupta, holds Bachelors Degree in Commerce from University of Delhi,</p> <p>Member of Institute of Chartered Accountant, India (ICAI) and Partner at Mamraj &amp; Co., Chartered Accountants, New Delhi.</p> <p>She has rich experience in the field of Taxation, Audits and Corporate Laws. She has excellent academic and Professional records</p>
Number of Equity Shares held in the Company including shareholding as beneficial owner as on date of notice	46,87,500/- (15.84 %) Equity Shares.	49,12,680/- (16.60%) Equity Shares	Nil
Term and Condition of Appointment / Re-appointment	Liable to retire by rotation	Re-appointment as Managing Director of the Company for the period of 5 years w.e.f. November 15, 2024, not liable to retire by rotation and more details mentioned in explanatory Statement	Re-appointment as an Independent (Women) Director for the period of 5 years w.e.f. February 15, 2025, not liable to retire by rotation and more details mentioned in explanatory Statement

<b>Name</b>	<b>Smt. Nikunj Aggarwal</b>	<b>Shri Rajesh Kumar Aggarwal</b>	<b>Smt. Praveen Gupta</b>
Details of remuneration last drawn during FY 2024 (including sitting fees, if any)	Kindly refer the Corporate Governance Report	Kindly refer the Corporate Governance Report	Kindly refer the Corporate Governance Report
Details of remuneration sought to be paid	Not Applicable	As stated in this explanatory statement forming part of this notice.	No remuneration except Sitting fess for attending Board and Committee meetings
Number of meeting of Board attended during the year (2023-2024)	5	5	5
Relationship with other Directors / KMPs	Spouse of Shri Rajesh Kumar Aggarwal, Managing Director and Daughter in-law of Shri Hari Chand Aggarwal, Chairman & WTD and not related to any other Director / Key Managerial Personnel	Son of Shri Hari Chand Aggarwal, Chairman & Whole-time Director and Spouse of Smt. Nikunj Aggarwal, Whole-time Director and not related to any other Director / Key Managerial Personnel	Not related to any of the Director or KMP of the Company
Names of the Companies in which person holds Directorship (excluding foreign companies)	Insecticides (India) Limited	<ul style="list-style-type: none"> <li>● Insecticides (India) Limited – Managing Director</li> <li>● IIL Biologicals Ltd - Directors</li> <li>● OAT &amp; IIL India Laboratories Pvt. Ltd – Director</li> <li>● Crop Care Federation of India – Director</li> <li>● Emroyal Shiksha Pvt. Ltd - Director</li> </ul>	<ul style="list-style-type: none"> <li>● Insecticides (India) Limited</li> <li>● Prakash Pipes Limited</li> </ul>
Membership / Chairmanship of committees of other Boards as on March 31, 2024	Insecticides (India) Limited <ul style="list-style-type: none"> <li>● Finance Committee - Member</li> </ul>	Insecticides (India) Limited <ul style="list-style-type: none"> <li>● Finance Committee - Member</li> <li>● Corporate Social Responsibility and sustainability Committee - Member</li> <li>● Risk Management Committee - Member</li> </ul>	Insecticides (India) Limited <ul style="list-style-type: none"> <li>● Audit Committee - Chairperson</li> <li>● Nomination, Remuneration &amp; Ethics Committee – Member</li> <li>● Stakeholders Relationship Committee – Member</li> </ul> Prakash Pipes Limited <ul style="list-style-type: none"> <li>● Audit Committee - Chairperson</li> <li>● Nomination &amp; Remuneration Committee - Member</li> <li>● Stakeholder Relationship Committee- Chairperson</li> </ul>
Names of listed Companies in which person ceased to be a Director in past three years	None	None	Ceased in below entities, w.e.f March 30, 2024 <ul style="list-style-type: none"> <li>● Sophia Exports Limited</li> <li>● Advance Steel Tubes Limited</li> </ul>
List of core skills/ expertise/ competencies identified by the Board and those actually available	Kindly refer Corporate Governance Report section of this Annual Report.		











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