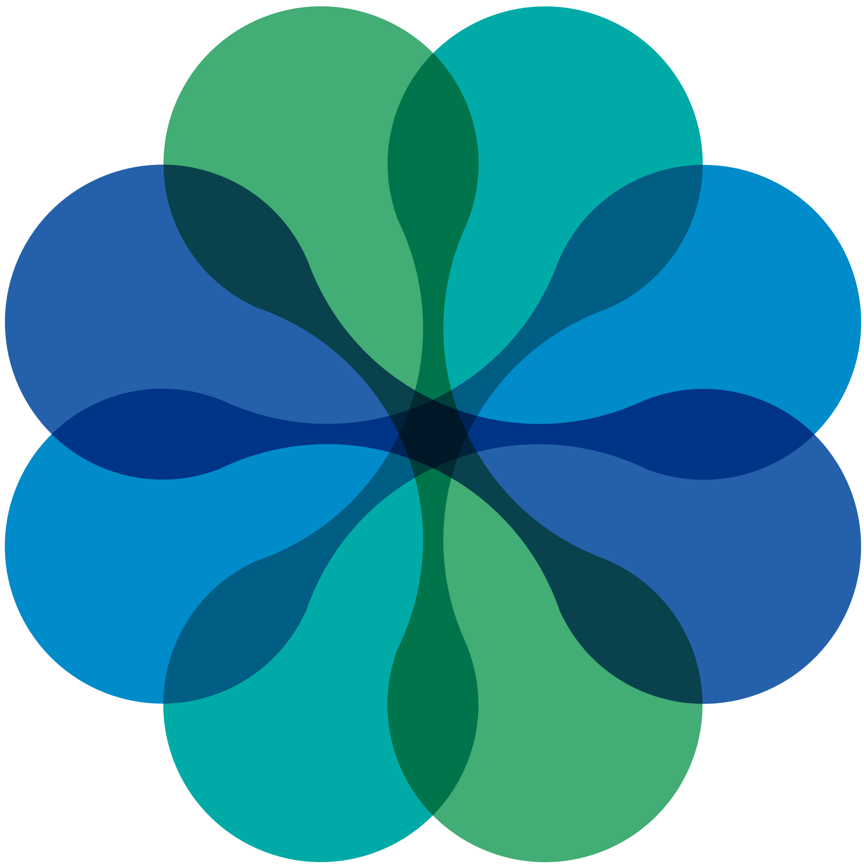
Valiant Organics
Limited



Building *for* the future

Valiant Organics Limited
Annual Report 2021-22

Forward-looking statement

This document contains statements about expected future events and financial and operating results of Valiant organics limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the management's discussion and analysis of the Valiant Organics Limited Annual Report 2021-22.

Our performance highlights, FY 2021-22

954	103	17.88	282	522
₹ Crore, Revenues	₹ Crore, PAT	%, EBITDA margin	₹ Crore, Net debt	₹ Crore, Net worth

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Contents

Building for the future

The world of speciality chemicals is passing through an inflection point.

A number of long-term consumers are seeking an alternative to China; besides, some downstream speciality chemicals consumption drivers are becoming increasingly relevant.

Valiant Organics is attractively placed to capitalise on this transition. The Company is investing in the manufacture of a range of value-added products, which are integrated with other products.

The combination of volume, integration and value-addition is expected to graduate the Company to the next level, enhancing value for all stakeholders.

Part 1

What we are and what we do

CORPORATE SNAPSHOT

Valiant Organics Limited has emerged as one of the larger benzene derivative manufacturers in India.

The Company services the growing demand of global and Indian customers.

The Company is now expanding and deepening its eco-system with the objective to climb into the next level.

Background

Valiant Organics Limited is a specialty chemical manufacturing company in India. The business was set up as a partnership concern (Valiant Chemical Corporation) in 1984. In 2015, the Company was converted into a public limited company.

Applications

The Company's quality products are used as intermediates across downstream sectors. The products manufactured by the Company address sectors like pharmaceuticals, dyes & pigments, agrochemicals and specialty chemicals, among others.

Manufacturing facilities

The Company's six manufacturing units in five locations - Tarapur, Sarigam, Vapi, Jhagadia and Ahmedabad – are proximate to the large ports of western India. These facilities have been invested with scale, cutting-edge technologies and effluent treatment systems, strengthening business sustainability. The Company's head office is located in Mumbai.

Portfolio

The Company is engaged in manufacturing and marketing beneze-based specialty chemicals. These products find use in a variety of industries including agrochemicals, pharmaceuticals, dyes, pigments and veterinary medications.

Customers

The Company's customers comprise brand-enhancing names like Anupam Rasayan India Ltd. and Lanxess India Private Limited, Spectrum Dyes & Chemicals Pvt. Ltd., Clariant Chemicals (India) Ltd., Colourtex, among others. The Company also exports products to countries such as US, Europe, Japan and China, among others.

Scale

The Company's integrated manufacturing units possess an installed capacity of approximately 70,000 TPA across various chemistries. The scale of operations makes the Company a dependable one-stop provider of a range of products, resulting in multi-year relationships.

Competence

The Company is a reliable and diversified products provider. It has developed a competence in diverse process chemistries such as chlorination, ammonolysis, acetylation, hydrogenation, sulphonation and methoxylation.

Chemistry	Location	Capacity (MTPA)	Products
Chlorination	Sarigram	18,000	PCP, OCP, 2,4 DCP, 2,6 DCP, 2,4,6 TCP
Ammonolysis	Vapi	10,000	PNA, OCPNA
Ammonolysis	Tarapur	6,600	PNA
Hydrogenation and methoxylation	Jhagadia (Unit 1)	28,800	ONA/OA, PNA/PA, IPPCA, conversion products
Hydrogenation	Jhagadia (Unit 2)	12,000	PAP and pharma intermediates
Acetylation and sulphonation	Ahmedabad	1,800	6 Acetyl OAPSA, OA/PA Acetanilide, OT5SA

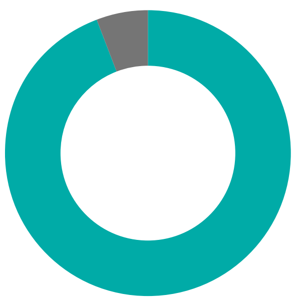
Revenue by geography, FY 2020-21

(In ₹ Crore)

Domestic: 503.32
International: 70.92

Revenue by geography, FY 2021-22

(In ₹ Crore)



Domestic: 894.68
International: 53.76

Compliance

The Company has been accredited with the OHSAS 18001:2007, ISO 14001:2015 and ISO 9001:2015 certifications, enhancing customer confidence and systemic consistency.

Listing

The Company's equity shares are listed on BSE & NSE. The Company enjoyed a market capitalisation of ₹2,498 Crore as on March 31, 2022.

Responsible

The Company is respected for its environmental standards, corporate governance, financial stability and community engagement. The Company possesses five zero liquid discharge plants.

Credit rating

The Company strengthened its credit-rating from CRISIL A-/POSITIVE in FY 2020-21 to CRISIL A/STABLE for long-term debt and CRISIL A1 (ASSIGNED) for short-term debt in FY 2021-22.

People

The Company comprised 867 permanent employees and 1,000+ contractual workers as on March 31, 2022. The Company's talent comprised specialised professionals in the area of chemistries, marketing, manufacturing, legal and finance, among others. The Company's average age was 33 in FY 2021-22.

Our process and product portfolio

Chlorination

- Para Chloro Phenol
- Ortho Chloro Phenol
- 2,4 Di Chloro Phenol
- 2,6 Di Chloro Phenol
- 2,4,6 Tri Chloro Phenol

Hydrogenation

- Ortho Anisidine
- Para Anisidine
- IPPCA
- Meta Chloro Aniline
- Para Amino Phenol
- Ortho Amino Phenol

Acetylation

- 6 Acetyl OAPSA
- OA Acetanilide
- PA Acetanilide

Ammonolysis

- Para Nitro Aniline
- Ortho Chloro Para Nitro Aniline

Sulphonation

- OT5SA
- 4B Acid
- 2B Acid

Methoxylation

- Ortho Nitro Anisole
- Para Nitro Anisole

1984

Established as Valiant Chemical Corporation with a single product – Meta Chloro Aniline

1997

Widened the product range to include chlorophenols, a chemical used as an intermediate in pharmaceuticals, pesticides, disinfectants, anti-bacterial applications and veterinary drugs

2005

Incorporated as a private limited company

How we have transformed

2022

Overcame PAP product issues and ramped production in the batch process

2021

Listed on the NSE in July. Completed Phase 1 of the PAP factory and commenced the development of a multi-purpose pharma intermediaries plant

2008

Commenced exports

2013

Increased installed capacity from 3,000 MTPA to 4,800 MTPA

2015

Converted into a public limited company

2016

Listed on the SME Board of the BSE

over the years

2020

Listed on the BSE Main Board. Commenced ammonolysis expansion at the Vapi facility. Completed the backward integration of the ONA/OA integration. Added PNA/PA to the product portfolio

2019

Emerged as a major supplier of Chlorophenols in India and the global markets. Acquired Amarjyot Chemicals, a large specialised chemical maker and supplier, with factories in Vapi, Jhagadia and Ahmedabad. Added hydrogenation, Sulphonation and Nitration to the chemistry competence basket

2018

Environmental approval to increase Chlorophenol capacity to 21,600 TPA

2017

Acquired Abhilasha Tex-Chem Pvt. Ltd; added ammonolysis to the product portfolio

At Valiant Organics, our transforming journey was evident across every successive quarter of a challenging FY 2021-22

The financial health of our business

Revenues (₹ Crore)

Quarter one	Quarter two	Quarter three	Quarter four
187	213	262	292

EBITDA (₹ Crore)

Quarter one	Quarter two	Quarter three	Quarter four
42	37	46	45

Profit after tax (₹ Crore)

Quarter one	Quarter two	Quarter three	Quarter four
27	22	28	27

The financial hygiene of our business

EBITDA margin %

Quarter one	Quarter two	Quarter three	Quarter four
22.44	17.42	17.61	15.54

Interest cover (x)

Quarter one	Quarter two	Quarter three	Quarter four
20.19	19.83	29.42	22.22

Interest outflow (₹ Crore)

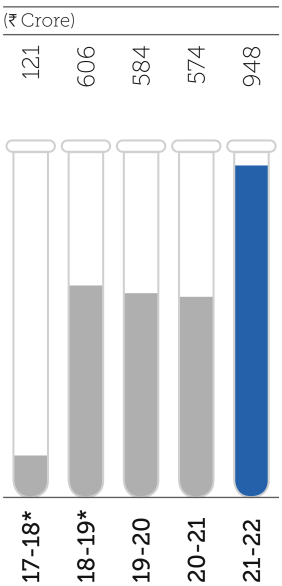
Quarter one	Quarter two	Quarter three	Quarter four
1.77	1.56	1.31	1.71

1. EBITDA Margin = Earnings Before Interest, Tax, Depreciation & Amortisation (Numerator)/Total Revenue (Denominator)
2. Interest cover = Earnings Before Interest & Tax (Numerator)/Finance Cost (Denominator)
3. Interest outflow = Finance cost

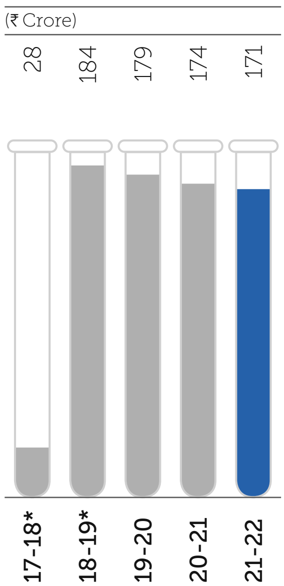
How we transformed in the last few years

*Figures are based on the IGAAP accounting standards and hence are not directly comparable with the previous years

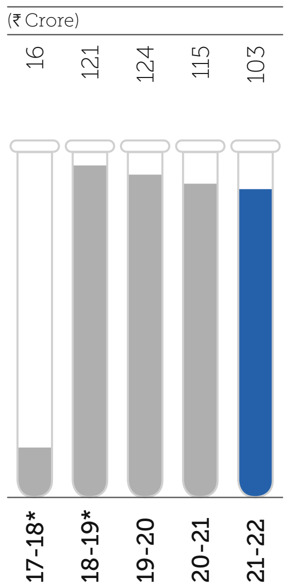
Net Worth = Total Equity - Equity Instruments through Other Comprehensive Income - Capital Reserve



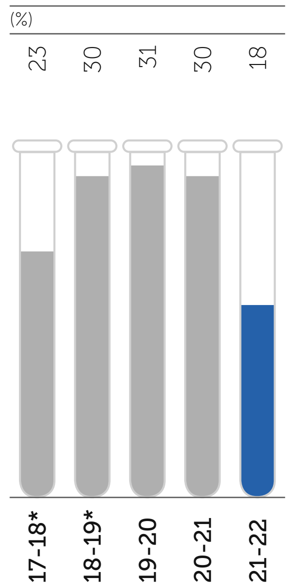
Revenues from operations



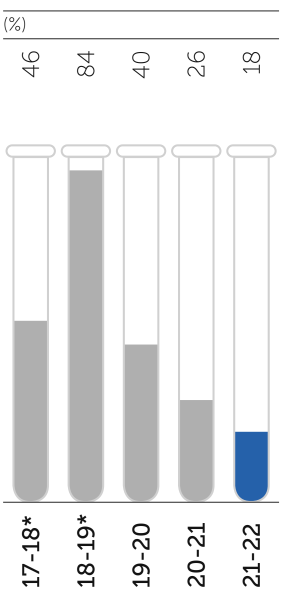
EBITDA



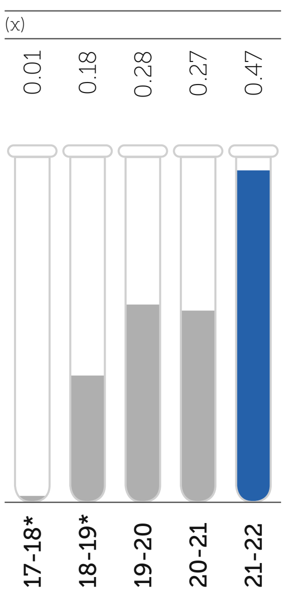
Net profit



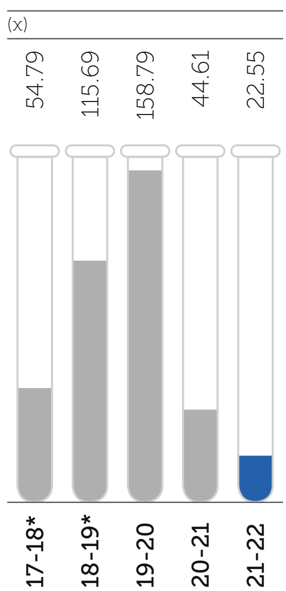
EBITDA margin



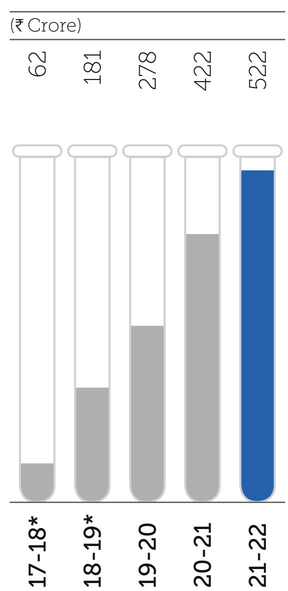
ROCE



Gearing



Interest cover



Net worth#

Part 2

Perspectives and insights

MANAGING DIRECTOR'S REVIEW

Governance represents the heart of our existence

Overview

In a world marked by rapid change and volatility, the buffer comes from governance.

At Valiant, governance is doing the right things more than doing things right because we are convinced that organisations that are high on their ethical commitment and strategic discipline can also be sustainably successful.

This is the vision with which we went into business: not quite to be the largest in our space at any cost as much to be counted as one of the best; not as much to be a company driven by the quantity of our revenues but to be a company driven by respect; not as much a company driven by the topline as much as a company that is competitive across market cycles.

Some of our governance principles comprise uncompromising integrity, discipline, doing things the right way, long-term orientation, singular focus, matching of values, controlled growth, competent Board of Directors, process-driven approach, audit cum compliance-driven, transparency and value-creation for all stakeholders.

The result of this governance-driven approach was the superior performance of the Company during the year under review. The Company reported revenue growth by 61%, even as EBITDA weakened by a mere 2% and profit after tax by 10% in the face of the biggest challenges encountered in the Company's existence.

I must also add that the Company reported record revenues in its existence. The Company reported ₹954 Crore of revenues during the year under review compared with ₹591 Crore in the previous year; the Company reported ₹171 Crore EBITDA in FY 2021-22 compared with ₹174 Crore in FY 2020-21; the Company reported ₹103 Crore of PAT during the year under review when compared with ₹115 Crore in FY 2020-21. The peak performance represents a validation of the Company's patient investments in building assets and strengthening its product mix. The performance could have been better if the products launched during the last year could have achieved desired production and if the Company had overcome the pandemic impact.

The improvement was not lumpy and one-off. If one studies the performance of the Company across the last eight quarters, one will recognise that the Company reported an improvement in every single quarter starting from the first quarter of FY 2020-21. The Company's revenues improved from a revenue bottom of ₹116 Crore during the first quarter of FY 2020-21 to a crest of ₹291 Crore during the last quarter of the year under review. It might interest readers that the biggest quarter-on-quarter improvement transpired during the third quarter of the financial year under review when the Company reported a 61% improvement in revenues over the corresponding quarter of the previous year and 23% over the immediately preceding quarter.

The primary message that one needs to communicate is that the Company is in the midst of an attractive growth phase; the Company is bringing on stream a combination of new capacities, high capacity utilisation and superior realisations to generate quarter-on-quarter growth, validating its position as a Company committed to enhance stakeholder value.

Growth drivers

At Valiant, we have in place a strategy to grow revenues across market cycles, the basis of our sustainability. We believe that top-line growth derived from selective products can help us reduce expenses profitably, strengthening our margins. Top-line growth can enhance our visibility across prospective customers, vendors and employees, strengthening our ecosystem.

At Valiant, this top-line growth is not random and commoditised; we have selected to grow in spaces that address the relatively under-met needs of customers; we grow in adjacent product spaces that makes it possible to leverage familiar chemistries and address existing customers; we extend our business without significant capital expenditure and with the ability to use the same professionals, enhancing our productivity.

This commitment to adjacent growth does several things for us that normal linear growth would not achieve. The extension makes it possible for us to build 'product families' that graduate us from a provider of products to a single-stop solutions provider. The extension enhances our brand as a turn-to problem solver in the international markets for that category as opposed to merely providing a few products.

We believe that this integrated family approach not only adds to our revenues but also enhances our profitability. By the virtue of a deeper insight into products, much of our solution does not need to be created from scratch when we seek to introduce a new product; much of the preparatory work in new product development has already been pre-cooked to a point, following which we need to customise differently around the needs of downstream applications. The result is that the larger we grow, the faster we are likely to grow thereafter, which goes against the perspective of conventional percentage growth being slower once one reaches a certain point.

The performance of our Company during the last financial year was proof that our business model is delivering desired outcomes despite encountering an unprecedented increase in raw material costs. The 'shock absorbers' created from progressive product mix integration and enhanced revenues helped moderate the Company's per unit cost structure. Besides, the cost pass-on – delayed as they were – helped neutralise some resource inflation, protecting our profitability. The way the Company's financials responded to the external market challenge – brought about by a complement of freight inflation, disrupted supply chains, European war and rising oil costs – provides optimism that the Company is attractively placed to report handsome profit rebounce once the market normalises.

Relevance

What is the marketplace reality that is increasingly conducive to our Company growing rapidly across the coming years?

The answer is that the world is beginning to seek a fallback global supplier that could reduce its excessive dependence for specialty chemicals on China. Even if the world moderated its China exposure and the global market share of that country declined by 10%, an immense opportunity would be spread across competitive chemical-producing nations. The Indian economy is placed at a little lower than US$ 3 Trillion today but likely to grow to an estimated US$ 5 Trillion by the later part of this decade. This growth will need to be sustained by the timely availability, accessibility and affordability of chemicals.

Looking ahead

At Valiant Organics, we have been engaged in a series of expansion programmes with the objective to enhance our production capacity, moderate our production costs, strengthen the supply chain, widen our product mix and build the business for the next level.

The Company commercialised the PAP plant in March 2021. However, the Company encountered quality and colour issues. Even as the plant is capable of generating an average 500 TPM, it could reach only 300 TPM by the end of the last financial year (FY 2021-22). When the unit operates in batch mode, it can generate around 500 TPM; in continuous manufacturing mode, the unit can reach 750-1,000 TPM.

The Company financed this project through, debt and internal accruals. The project is expected to break even in the next few years. The Company is expected to emerge as one of the first large PAP manufacturer in India, strengthening offtake from the time it goes into production. The process is complex – an entry barrier for others – and there could be a gestation between commercialisation and scale-up that could lead the unit to rated capacity utilisation in a year from now, by which time the margins should stabilise for this product.

A majority of PAP manufactured by the Company is being consumed by the paracetamol plant of Valiant Laboratories, securing revenues. The Company will operate its PAP plant (batch process) and generate 500 TPM. During the third quarter of the current financial year (FY 2022-23), the Company intends to commission the first phase of its Pharma Intermediary project. The Company intends to enhance the capacity of its Ahmedabad unit from 125 TPM to 175 TPM for the manufacture of multiple specialty products, starting from the first quarter of the next financial year. The Company intends to generate considerably higher revenues from PAP during the current financial year and generate around ₹300-350 Crore per annum within two years, accounting for a sizable proportion of the Company's revenues.

Conclusion

The Company expects to report a 30-35% growth in revenues during the current year (FY 2022-23) and generate around ₹1,400-1,500 Crore of revenues in FY 2023-24. This growth in revenues could result in a proportionate increase in the captive consumption of products, reducing raw material costs on the one hand and widening margins on the other.

We believe that this complement will enhance value for all those associated with our Company.

Arvind Chheda
Managing Director

How Valiant has created a financial foundation for a multi-year value-accretive journey

Our financial discipline

1 Focus on debottlenecking

2 Under-utilisaton of working capital sanctions

3 Timely long-term debt repayment

4 Backward and forward integration

Overview

Valiant secured its financial foundation during the year under review despite several challenges. This financial foundation represents a platform for attractive value-creation: a large reliance on accruals, relative under-borrowed Balance Sheet, multi-year customer relationships, sustained capex without compromising the financials as well as backward cum forward integration.

The Company widened its presence across different chemistries with the objective to broadbase risk, enhance operating flexibility and strengthen sustainability. The Company's performance of FY 2021-22 was creditable on account of a demand shift away from China (China + 1 factor), new product, increased volume and higher realisations.

This improvement was achieved in the face of challenges (social, political and economical): the pandemic-induced slowdown, commodity inflation, shortage of shipping containers, rise in oil prices, increased logistics costs and the Ukraine-Russia war. These realities notwithstanding, the biggest achievement of the Company was the capacity to protect its market positioning and continue building its Balance Sheet.

The Company countered the challenge of a decline in shipping container availability with proactive planning. The result was that the Company delivered on-time and in-full to customers matched with their production schedules. This service predictability during a challenging period strengthened the Company's brand as a dependable partner.

Clarity

The management possesses a financial clarity that is expected to translate into sustainable value-accretive growth. The principal features of the Company's approach comprise the following:

- Protected or improved credit rating
- Attractively under-borrowed Balance Sheet accruals/debt-funded capital expenditure
- Moderate cost of debt (short-term and long-term)
- Sustained cost management arising out of an extensive product integration programme

Revenue growth and mix

Valiant reported profitable growth during the year under review. Revenues grew 61%, however

EBITDA decreased 2% and profit after tax weakened 10%. The revenues reported by the Company during the year under review were the highest in its existence. Exports accounted for 6% of revenues, de-growing by 6% during the year under review. However, in contrast, the Company's domestic revenues increased ~70% and deemed exports by ~228%.

At Valiant, our top-line growth lies in Para Amino Phenol (PAP). The proportion of revenues derived from PAP was about 10% during the year under review but likely to rise to about 20% during the current financial year and a projected 30% in the next two years.

Capital efficiency

At Valiant, we aspire to generate a return higher than what our risk partners (shareholders) would generate if they invested in alternative asset classes. The Company enjoys a track record of maximising capital efficiency by working in product niches, seeding the market, growing a consumption appetite, re-investing accruals and building a competitive advantage.

During the year under review, the Company reported a ROCE of 18%, which was higher than the average debt cost incurred by the Company and the prime lending rate within the Indian economy.

Credit rating

At Valiant, we demonstrated our commitment to enhance margins, strengthen gearing and moderate long-term debt during the year under review. However, the Company's short-term debt increased by ₹125 Crore to finance working capital requirements. An important influence on the cost of this short-term debt was the credit rating of the Company (the higher the rating, the lower the cost), which was upgraded to CRISIL A/Stable for long-term debt and assigned at CRISIL A1 for short-term debt, but only towards the end of the financial year under review, creating prospects of a lower debt cost at some point across the near future. We see the rating as an index of our competitiveness across market cycles and our objective will be to enhance this rating.

Capital expenditure

At Valiant, we are engaged in an ongoing ₹123 Crore capital investment that comprises debottlenecking. By the virtue of the capital expenditure being allocated principally to new product development such as PAP, pharma intermediary project, etc.

Repeat customers

The Company generated majority of its revenues from customers of 2 years or more. The strength of this long-standing engagement was reflected in the ability of the Company to pass cost increases to customers with the lag of a couple of months.

Operational upsides

The Company experienced positive upsides during a challenging FY 2021-22.

Its revenue visibility was protected by its de-risked 'sell and make' approach as opposed to its 'make-to-sell' business (which could have increased inventory). The predictability of the business was secured through a credible order book.

Capital allocation discipline

The Company will continue to grow its business through an increase in capacity utilisation, manufacture of a larger proportion of value-added products, enhanced manufacturing capacity through debottlenecking and increased product integration. These relatively asset-light approaches are expected to strengthen capital efficiency.

Financial objectives

In FY 2022-23, the Company will seek to grow revenues without stretching working capital management. It will strengthen backward integration through captive raw material sourcing. It will address the challenge of inflation through prudent procurement and inventory management. It will seek to leverage its A1 credit rating to mobilise short-term debt for an affordable cost.

How we strengthened our working

Part 3

Valiant and value-creation

INTEGRATED VALUE-CREATION

At Valiant Organics, we have been structured to enhance stakeholder value in a sustainable way

Overview

In the modern world, it is no longer enough to enhance shareholder value. The operative term that is being increasingly used is 'stakeholder value'.

By the very nature of the term, 'stakeholder' does not merely refer to the interest group that owns shares in the Company. It refers to every single individual or sentient being that is likely to be influenced by the Company's brand, product or operations. In short, it refers to everyone and everything, living or not.

This represents an understanding of how the value sought to be created needs to be integrated across all stakeholders, the measure by which all companies are appraised. This Integrated Value-Creation is being increasingly respected for its appraisal of 'hard' and 'soft' initiatives on diverse strands (financial, management commentary, governance, remuneration and sustainability reporting) in explaining an organisation's ability to create, enhance and sustain value.

This enhances an understanding across diverse stakeholders (employees, customers, suppliers, business partners, local communities, legislators, regulators and policy makers), underlining the need for an organisation to enhance value in a sustainable manner.

Our operating platform

Strategic direction

Acquisitions and the PAP project have graduated us to a different level

Each plant is run as a standalone business and profit centre, strengthening specialisation

The operations of the manufacturing units are aligned around a central strategic direction

Knowledge

The Company enjoys mentorship from Aarti Group of Companies without product overlaps or conflicts of interest

The Company possesses a specialisation across three chemistries (chlorination, hydrogenation and ammonolysis) for onward applications

Customers

Addresses different sectors core to human existence

These sectors are integral, large and growing

These sectors comprise agrochemical, dyes/pigments and pharmaceuticals

Capital expenditure

The Company invested in an approximately 75,000 sq. m manufacturing facility in Sayakha

The location is the midst of Gujarat's chemical sector district

Integration

The Company intends to generate more raw material from within (presently approximately 50%)

Nearly 85% PAP sales are made to Valiant Labs to manufacture paracetamol

The high integration ensures sales visibility and profitability

Balance Sheet

The Company possesses a gearing of 0.47x

The Company intends to become near-debt-free in three years

Our sustainability framework

Strategy

- Launch import substitution products that address unmet needs
- Ensure environment responsibility across processes and products
- Provide an integrated portfolio with backward and forward linkages

Procurement economies

- Procure the best resource quality through knowledge and relationships
- Procure most economically through better terms of trade
- Procure sustainably (preferably from within the Company)

Manufacturing excellence

- Manufacture across 6 locations; maximise asset utilisation
- Embrace and invest cutting-edge technologies

Brand and customer capital

- Service the growing needs of downstream customers
- Engage in longstanding contracts assuring revenue visibility
- Provide a superior price-value proposition (over imports)

Financial structure

- Moderate debt / debt cost; long repayment tenure
- Strengthen working capital efficiency
- Focus on projects with superior profitability

Environment integrity

- Moderate resource consumption per unit of production
- Protect the region's environment balance
- Benchmark as per prevailing compliance standards

People competence

- Enhance talent productivity
- Invest in knowledge, experience and passion
- Deepen the culture of outperformance

Community support

- Provide community support
- Focus on integrated development
- Engage in a sustainable way for extended impact

Our sustainability is derived from a favourable sectorial reality

Rising population

India's population was around 1.40 Billion in 2022 and expected to surpass China by 2023, catalysing the prospects of the speciality chemicals sector

Urbanisation

India is urbanising faster than possibly any country, strengthening the prospects of downstream sectors to whom Valiant supplies

Demographic dividend

The Indian population's median age of 28 (2022) compares well with the global average (30), driving demand for the Company's products

Growing replacement demand

Increased disposable incomes are enhancing life quality in India, reflected in a better standard of downstream sectors serviced by Valiant

(Source: Population U, Business Standard, Indian Retailer, Statista, India.com)

How Valiant Organics engages with all its stakeholders

We recognise the importance of fostering and maintaining strong relationships with key stakeholders through transparent, sincere, effective and growing engagements.

Stakeholder group	Customers	Government, competent authorities
Valiant Organics' considerations	Our products are intended to enhance effectiveness and economy of use We provide products that plug the unmet needs of customers (cost, effectiveness or import substitution)	Our ability to produce, market and distribute products is dependent on regulatory approvals by the concerned government authorities
Stakeholder interests	Quality, availability, accessibility and affordability Consistent, reliable and on-time product supply Impact of product recalls and any quality or efficacy concerns that may arise	Legal and regulatory compliance Social and environmental impact of operations Tax revenues and investments
How we engage	Engage with primary buyers (trade partners) and customers Transparent communication with customers through commercial discussions and meetings	Audits of manufacturing sites by regulatory authorities to ensure Good Manufacturing Practice (GMP) and regulatory compliance Participation in industry bodies Reports and interactions aimed at confirming legislative and regulatory compliance policies and processes
Capitals impacted	Intellectual Manufactured	Manufactured Social & Relationship

Employees	Suppliers	Investors and funders
Employees play a critical role in ensuring that we achieve strategic objectives. We seek to understand the needs, challenges and aspirations of this stakeholder group	These stakeholders play an important role in enabling us to meet our commitments to customers	As providers of capital, these stakeholders require to be kept informed of material developments impacting the Company and its prospects
Job security Equitable remuneration, and benefit structures Diversity and inclusivity Reputation as an ethical employer Employee health, safety and wellness	Fair engagement terms and timely settlement Ongoing communication on our expectations and service levels provided Fair and timely payment	Growth in revenue, EBITDA and returns on investment Appropriate management of capital expenditure, working capital and expenses Gearing, solvency and liquidity Dividend payout Security over assets, ethical stewardship of investments and good corporate governance Fair executive remuneration
Direct engagements by supervisors and business management Induction and internal training Employee wellness campaigns	Conducting various training programs	Dedicated investor and analyst presentations Stock exchange announcements, media releases and published results Annual General Meetings Investor relations section of Valiant Organics' website
Human	Social & Relationship Financial	Financial

The value we created in FY 2021-22

Financial capital

36.81
₹ Diluted earnings per share

2,498
₹ Crore, Market capitalisation (as on March 31, 2022)

Manufacturing capital

948
₹ Crore, revenues earned from the business

481
₹ Crore, invested in the last 3 years to grow the business

Human capital

~867
Permanent employees

~1,000+
Contractual workers

Intellectual capital

>50
years, cumulative senior management experience

1
₹ Crore, revenue per employee

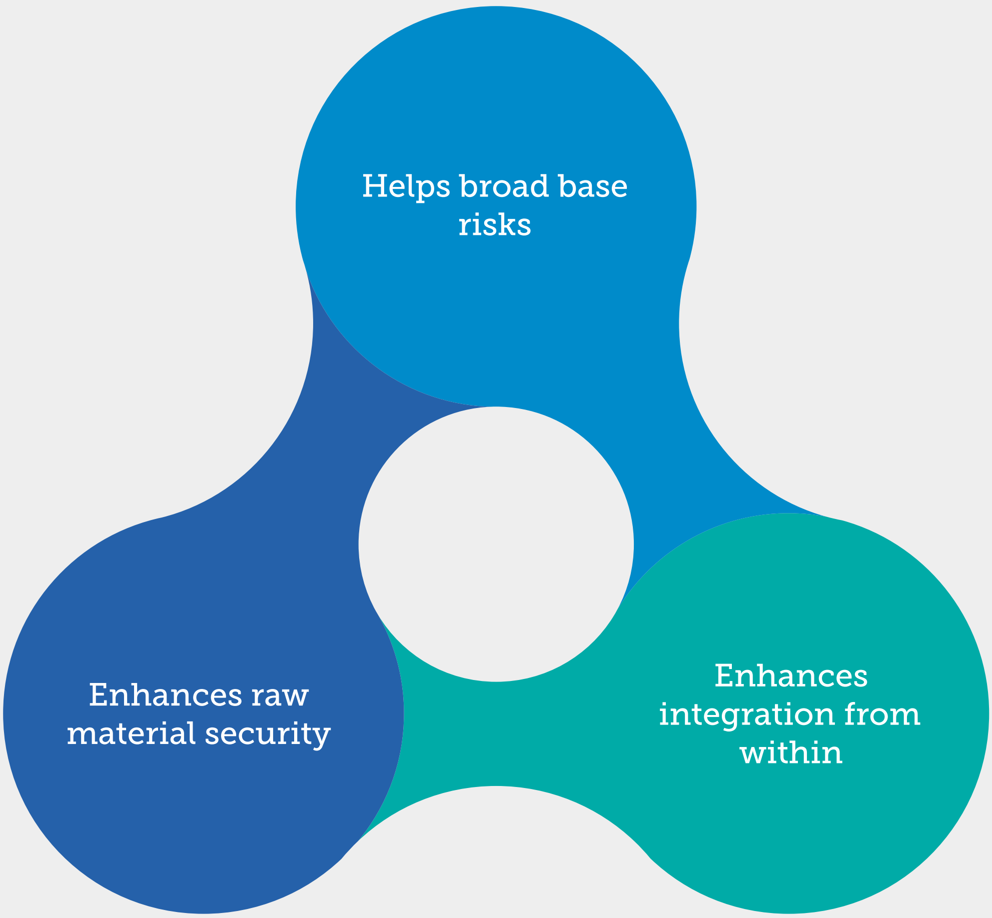
Natural capital

2.2
MW, Renewable power plant under implementation

Social and relationship capital

2,000+
Number of vendors associated with the Company

Our three principal chemistries



Chlorination

- A reaction in which chlorine or chlorine compounds are introduced into a molecule to obtain the desired outcome
- Accounted for 29% revenues in FY 2021-22
- The Sarigam plant of the Company is dedicated to chlorination (capacity 18,000 MTPA) with a zero liquid discharge facility and automated distributed control systems, reducing manual interventions.
- Two decades of experience in Chlorophenols with an established market leadership and long-term relationships with global marquee customers
- Around 50% of production exports to Europe, Japan, China and the USA
- Products customised to client needs
- The tailwind of the China+1 development
- Focus on addressing imported products

Key products

Para ChloroPhenol (PCP)	Ortho ChloroPhenol (OCP)	2,4 Di Chlorophenol (2,4 DCP)	2,6 Di ChloroPhenol (2,6 DCP)	2,4,6 Tri ChloroPhenol (2,4,6 TCP)

Sectors serviced

Agro-chemicals	Cosmetics	Veterinary	Pharmaceuticals

Ammonolysis

- A high-pressure chemical reaction done in an auto clave where ammonia is used as a reactant.
- Accounted for 31% of turnover, FY 2021-22
- Developed ammonolysis capabilities following acquisitions (Abhilasha Tex Chem Pvt. Ltd. in 2017 and Amarjyot Chemicals Ltd. in 2019).
- Covers 2 plants (Tarapur and Vapi)
- The Company comprised 16,600 MTPA capacity of this process, one of the largest in India.
- Supplies products to leading dye manufacturers
- Leadership in manufacturing PNA

Key products

Para Nitro Aniline (PNA)	Ortho Chloro Para Nitro Aniline

Industries served

Dyes	Pigments

Hydrogenation

- Chemical reaction between molecular hydrogen (H2) and another compound or element, usually in the presence of a catalyst
- Accounted for 31% revenues in FY 2021-22
- 2 units in Jhagadia
- Unit 1 has a capacity of 28,800 MTPA and addresses proprietary and job work for large customers
- Unit 2 currently manufactures PAP and soon to commence Pharma Intermediates project
- Ventured to the manufacture of two new products in FY 2020-21 of Ortho Anisidine (OA) and Para Anisidine (PA)
- PAP stabilisation will enhance volumes
- Became one of the first companies to commercialise Para Amino Phenol (PAP)

Key products

Ortho Anisidine	Para Anisidine	IPPCA	Meta Chloro Aniline	Para Amino Phenol

Industries serviced

Dyes	Pigments	Pharmaceuticals	Agro-chemicals

Other chemistries

Acetylation

- A chemical reaction that introduces an acetyl functional group into a chemical compound.
- Acetylation carried out at the Company's Ahmedabad facility (1,800 MTPA). A key product under this segment is '6 Acetyl Ortho Aminophenol Para Sulfonic Acid', which finds use in dye intermediates. The Company is also engaged in job work and helps in multiple conversions around annual contracts.

Sulphonation

- An organic reaction in which a hydrogen atom on an arene is replaced by a sulfonic acid functional group in an electrophilic aromatic substitution.
- The sulphonation procedure is carried out at the Company's Ahmedabad facility. The products - Ortho Toluidine 5 Sulfonic Acid (OT5SA), 2-Amino-5-Methyl benzenesulfonic Acid (4B Acid), & 2- Amino-4-Chloro-5 Methyl Benzenesulfonic Acid (2B Acid) - are used as dye and pigment intermediaries.

Methoxylation

- The products, Ortho Nitro Anisole (ONA) & Para Nitro Anisole (PNA), are manufactured from ONCB & PNCB respectively and consumed captively to manufacture Ortho Anisidine (OA) & Para Anisidine (PA)
- This process is being carried out with hydrogenation at Unit 1 of the Jhagadia facility.

Part 4

Growing opportunities in our business

GLOBAL PERSPECTIVE

The China + 1 shift and how this could strengthen our business

Overview

The biggest speciality chemicals opportunity in decades is emerging in the wake of the pandemic. Before the pandemic, virtually every single buyer of chemicals and speciality chemicals had a supply chain linkage that extended backwards into China (directly or indirectly). There has been a major rethink around this supply chain linkage since China's ports have at some point or the other been closed and the Company was unable to address the needs of downstream buyers even as some other markets have remained open.

Broadbasing

The result is that the downstream customer segments begun to broadbase their procurement, moderating their excessive dependence on China. This is where the biggest opportunity of the decades is beginning to emerge: since China constitutes about 20% of the global specialty chemical industry (US$ 800 Billion), even a 5% shift away from China to India could translate to an US$ 8 Billion opportunity for the Indian speciality chemical companies.

(Source: indianchemicalnews.com)

This shift has got a second wind also from the Russia-Ukraine conflict, which is reordering the global supply chain. This is strengthening the demand for specialty chemicals from India. Besides, the weakness of the rupee has strengthened the competitiveness of India's speciality

Emergence of a global opportunity for companies like Valiant			
Re-organisation of global chemicals supply chain	Emergence of need to establish production centres alternative to China	Increasing movement towards India with long-term competencies	Likely to grow India's chemicals sector across the long-term

chemicals sector. The result is that India's specialty chemicals sector is poised to capitalise on global tailwinds and expand its global market share from 4% to 7-8% in the next few years.

Distributed manufacturing systems

The concept of distributed manufacturing systems is becoming attractive. Moving from a single-country dominant manufacturing set up to a multi-country operation is being looked upon as a means of mitigating risks associated with global supply chain disruptions and political headwinds - a choice more complex than a mere manufacturing set-up as it represents a trade-off between a reliable supply chain versus scale benefits.

Enduring opportunity

This shift is not likely to be fleetingly arbitrage-driven; it is likely to be enduring. More importantly, the shift is likely to result in the building of new assets benchmarked around global compliance and certifications, inspiring the emergence of an entire eco-system. India is equipped to capitalise on this phenomenon with long-term implications.

Enhanced competitiveness

Besides, production costs in China have risen and there is a premium on environment and compliance costs, accelerating supply chain broadbasing. The result is that India is emerging as a preferred manufacturing hub for specialty chemical segments - agrochemicals and intermediates (supported by domestic consumption growth). This growth trajectory of the Indian specialty chemicals industry could see a transition to specialty materials as user industries evolve. The specialty chemicals business is therefore seen as reshaping the future of India's economic landscape towards product-based solutions.

How Valiant has responded: Enhance capital expenditure programmes

Product	Installed capacity	Approx. capex (₹ Million)	Project status	Remarks
Commissioned				
Para Nitro Aniline (PNA) and Ortho Chloro Para Nitro Aniline (OCPNA)	550	70	Completing phase-wise	▪ Expansion from 550 TPM to 750 TPM at the Vapi plant. ▪ Full capacity expansion addition in progress.
Ortho Nitro Anisole (ONA)	600	350-400	Completed in Q4 FY 2019-20	Backward integrated for the existing product Ortho Anisidine
Para Nitro Anisole (PNA)	200	350-400	Completed in Q4 FY 2019-20	Captive use towards manufacture of Para Anisidine
			Completed in Q4 FY 2019-20	▪ Currently mostly being imported in India. ▪ Valiant will be one of the major producers in India.
Ongoing projects				
Para Amino Phenol (PAP)	1000	2,200	Completed in Q4 FY 2020-21	▪ Currently, limited availability domestically and mostly imported. ▪ Due to technical difficulties in achieving the desired specification, the actual production was delayed. ▪ Ramp up in process for batch operations are on-going. ▪ Simultaneous work ongoing towards continuous process.
Ortho Amino Phenol(OAP)	100	150	Phase 1 production to commence soon	▪ Currently, entirely imported in India ▪ Part of the production will be utilised as forward integration for one of company's existing products.
Pharma Intermediaries	20	600	Expected production from Q3 FY 2022-23	▪ Multi-purpose plant for forward integration within the Group company. ▪ Will manufacture N-1, N-2 raw materials for API products. ▪ Awaiting approvals.

INSIGHT

India's speciality chemicals niche is expected to grow attractively

Overview

India's chemical industry is diversified across bulk chemicals, speciality chemicals, agrochemicals, petrochemicals, polymers and fertilisers, covering more than 80,000 commercial products,

Speciality chemicals account for 22% of India's chemicals and petrochemicals market. Indian manufacturers have recorded a CAGR of 11% in revenue between FY 2014-15 and FY 2020-21, increasing India's share in the global speciality chemicals market from 3% to 4%.

(Source: Crisil)

A revival in domestic demand and sustained exports could generate a 50% y-o-y capital expenditure increase by speciality chemical manufacturers to ₹6,000-6,200 Crore (US$ 815-842 Million).

This optimism is being derived from superior performance. From April 2021 to February 2022, exports of organic & inorganic chemicals increased 33.75% YoY to US$ 26.48 Billion. Revenue growth is likely to be 19-20% YoY in FY 2021-22, up from 9-10% in FY 2020-21, driven by the recovery in domestic demand and higher realisations.

(Source: IBEF)

Growth drivers

Increase in consumption intensity	Higher end-use demand	Stronger government focus	Global factors

ANALYSIS

The growth of India's agrochemical sector rides the growth of its specialty chemicals business

Overview

The global population of 7.6 Billion is expected to grow to 8.6 Billion by 2030 and 9.8 Billion by 2050, making it imperative for agrochemical companies to formulate specialised crop protection chemicals with speed. This priority is also evident in India, one of the largest agricultural markets. Around 70% of India's rural households depend primarily on agriculture; around 86% of India's farmers are categorised as 'small and marginal' and own less than 2 hectares, which is the equivalent of two football fields.

In India, crop protection products addressing pre- and post-harvest losses play a pivotal role. The Indian Council of Agricultural Research estimated that around 30%-35% of the annual crop yield in India is lost to pests. India's pesticide consumption is one of the lowest in the world; the average hectare in India consumes just 0.6 kilograms of pesticide compared to 5-7 kilograms per hectare in the US and 11-12 kilograms per hectare in Japan, a large headroom. We believe that the sector has an important role at a time the country is engaged in strengthening farmer incomes.

The Indian agrochemical market has expanded at an average annual rate of 7.6% during the last six years. The Indian agrochemical market is anticipated to grow at a CAGR of 9.3% through the year 2025, with the specialised chemicals segment expanding at a CAGR of over 12%.

Big numbers

7.6

% CAGR of the Indian agrochemical market in six years

9.3

% CAGR of the Indian agrochemical market through 2025

12

% CAGR of India's specialised chemicals segment

INSIGHT

The world is turning to India's dyes and pigments sector, strengthening prospects of its speciality chemicals sector

Overview

The world is getting increasingly colourful.

Following the introduction of computer based colour mixing, an entirely new world has opened up, comprising a wider swatch, the benchmarking of colours with demanding swatches and the introduction of wider choice.

India accounts for ~16% of the global production of dyestuffs and dye intermediates. India ranks 14th by exports and 8th by imports at the global level (excluding pharmaceuticals).

The future is expected to be even more exciting. The largest market of the ASEAN and South Asian dyestuff for the textile market has been India. Due to the closure of dyestuff production plants in several developed countries for failing to comply with the strict environmental norms, the supply of this material has declined, enhancing realisations, which has widened the opportunity for Indian dyestuff manufacturers.

(Source: investindia.gov, IMF, Businesswire, Crisil report)

The result is that the Indian dyes and pigments market is expected to grow at a CAGR of 11% in the period of FY 2021-26. The Indian dyes market is poised to generate revenues of ₹48,000 Crore by 2022. Interestingly, the domestic chemicals sector's small and medium enterprises are expected to report 18-23% revenue growth in FY 2021-22, owing to an improvement in domestic demand and higher realisation due to high chemicals realisations.

(Source: Crisil report, Ministry of Commerce, Businesswire, investindia)

Big numbers

11

%, growth of India's dyes and pigments sector, FY 2021-26

48,000

₹ Crore, projected revenues of the Indian dyes market, 2022

OPTIMISM

India's speciality chemicals sector optimism is derived from the growth of its pharmaceutical sector

Overview

One of the biggest drivers of the growth of India's speciality chemicals sector is the growth of its pharmaceuticals sector.

India has emerged as one of the most remarkable pharma success stories the world over in the last 30 years. The country is the largest provider of affordable generic drugs in the world, the largest DMF filings in the world (outside USA) and the largest FDA-approved plants in the world (outside USA). The result is that India has emerged as a long-term US partner, securing the needs of US consumers to affordable quality therapies.

The Indian pharmaceutical sector provides more than 50% of the global vaccine demand, 40% generic demand in the US and 25% of all medicines in the UK. The domestic pharmaceutical industry includes a network of 3,000 drug companies and ~10,500 manufacturing units. India's domestic pharma market is expected to grow 3x across the decade – a US$ 42 Billion market of 2021 is likely to reach US$ 65 Billion by 2024 and a projected ~US$ 120-130 Billion by 2030. Medicine spending in India is projected to grow 9-12% over five years; India could become one of the top 10 countries in terms of medical spending.

This trend indicates a growing consumption of specialty chemicals, strengthening the prospects for focused companies like Valiant.

1
Status of India as a supplier of generic medicines globally

34
% of India's pharma exports directed at North America, FY 2020-21

Big numbers

200
Countries where Indian pharma products are exported

20
% of the global market share of generic drugs from India

Part 5

Drivers of our excellence

BUSINESS DRIVER

Our marketing excellence

Leadership

- Specialisation in three chemistries - Chlorination (Chlorophenols), Ammonolysis (PNA & OCPNA) and Hydrogenation (OA, PA, PAP, conversion products, etc.) coupled with small chemistries.
- Market leadership in chlorophenol; among only a handful of global suppliers that manufacture these chlorophenols; for benzene derivatives (Ammonolysis and Hydrogenation products), the Company is among market leaders
- One of India's leading manufacturers of PNA and OCPNA; also manufactures OA and PA
- One of the first PAP manufacturers in India, an import substitute product; demand is likely to be considerably higher than supply

Linkages

- Strategic focus on import substitution and product integration (backward integration of OA and forward integration of PAP).
- Provides about 80% to Valiant's subsidiary; no sales challenges foreseen
- About 60% operations secured by monthly, quarterly or half yearly contracts; increased raw material costs passed on to customers with a lag

Growth

Revenue growth in FY 2021-22 generated from both, higher realisations of existing products and new product PAP. Product stabilisation was delayed and batch process production is now being ramped up; PA quality issue was resolved; OA (key hydrogenation product) faced lower demand

Outlook

Addition of the continuous process to the batch process in FY 2023-24 is expected to enhance output

BUSINESS DRIVER

Our manufacturing excellence

Overview

Manufacturing expertise and knowledge sharing across all companies within the Aarti Group of Industries. Encountered quality and stabilisation issues with three products (PAP, PA and OAP); technical improvements helped achieve desired output; benefits likely in FY 2022-23.

Highlights

- Implemented DCS systems in select locations to automate processes.
- Initiated the ramp up of PAP project and start of the PA project; initiated capex and reached completion of the pharmaceutical intermediates project (captive plant); invested significantly in several products/projects; focus on enhancing utilisation (PAP, OAP, PA and pharma intermediates); small expansion at the Ahmedabad location will add products; continue regular technology/process enhancements.
- Invested in a captive renewable power plant, generating power savings.
- Engaged in commissioning R&D facility at Vapi from FY 2022-23.

BUSINESS DRIVER

Our environment compliance

Overview

A growing number of global manufacturers are recognising financial and environmental benefits from sustainable business practices.

Stringent environmental norms regulating agencies are helping reduce resource depletion, water scarcity, pollution and other harmful impacts.

There is a greater emphasis on sustainable manufacture, comprising the manufacture of products through economically sound processes that moderate the consumption of energy and natural resources while reducing negative environmental impact, in addition to enhancing employee, community and product safety.

There is a growing emphasis on aligning business existence with United Nations' 10 principles for manufacturing responsibility and environmental sustainability, covering Human Rights, Labour interests, Environment responsibility and Anti-Corruption initiatives.

Valiant's focus lies in consuming less and manufacturing more while minimising environment impact. It is the Company's conviction that the most successful, profitable and sustainable companies are ones benchmarked with the most stringent environmental standards.

The Company invested in zero discharge units with no liquid waste effluent and minimal air emission.

BUSINESS DRIVER

Our stringent quality control

Overview

Valiant Organics has been a prominent manufacturer of specialty chemicals for 36 years. The Company established its expertise in Ammonolysis, Hydrogenation, Acetylation, Chlorination, Methoxylation and Sulphonation. Valiant manufactures the finest products used as intermediates in diverse industries.

Achievements

The product quality systems at Valiant are robust and deliver superior quality as the entire process is validated at every stage of the process and STPs are professionally executed.

The Company was successful in reducing impurities and maintaining consistent quality

Outlook

The Company is engaged in the process of increasing production capacity

The Company is focused on integrating forwards into the manufacture of pharmaceutical intermediaries

Competitive strengths

Product excellence: The Company implemented quality assurance criteria including match manufacturing record documents, SOPs for GLP and calibration schedule for all measurements.

Products quality: The Company is focused on using superior process parameters leading to a high finished product quality.

HEALTH, SAFETY AND ENVIRONMENT

HSE represents the cornerstone of our business

Overview

At Valiant Organics, we live the role of a responsible corporate citizen. This responsibility is marked by a growing focus on health, safety and environment (HSE) that addresses our responsibility towards stakeholders.

We believe that HSE leads to enhanced competitiveness and sustainability. This competitiveness, among other measures, is manifested in topline growth, cost reduction, minimised regulatory cum legal interventions, increased employee productivity and optimised investment returns. At present times, any HSE under-delivery can lead to censure, legal action, compensation claims, higher insurance premia, low productivity or profitability as well as reputational damage. So, a responsible HSE compliance is not optional or peripheral; it is integral to organisational success and sustainability.

The Company is also determined to utilise eco-friendly processes to produce specialty chemicals, which result in greener chemistry solutions and zero pollution.

HSE approach

At Valiant, we are committed to create a safe and healthy work environment for a better life. We continuously train, learn and follow good working practices.

The Company owns the overall responsibility of their workers' and employees' safety and has promoted HSE as central to its existence and personality.

The Company's HSE department verifies compliance and improvements. The department investigates incidents with the objective to make improvements and prevent recurrence. It shares observations to spread awareness. It conducts periodic audits to determine systemic efficacy.

Our health commitment

Overview

The Company introduced initiatives to safeguard employees. The Company implemented procedures to address hazardous processes and operations.

Health measures

- Health awareness training programmes were carried out on site.
- Pre and periodical medical check-ups were conducted for all employees.
- The Company's occupational health centre was equipped with facilities.
- The Company provides first-aid boxes at all offices and plant areas.
- The canteen provided hygienic food.

Health initiatives

- Inductions, on-job and onsite training programmes were conducted.
- Adequate PPEs were provided to all employees. Health awareness training programmes were conducted at site by Factory Medical Officers (FMOs).
- The Company entered alliances with local multi-speciality hospitals.
- The Company provided the Mediclaim facility to employees and their family members.
- The Company conducted a medical check annually for employees and contractual workers.

Our safety commitment

Overview

In a business marked by hazardous processes and engagement with volatile chemicals, Valiant Organics prioritised the subject of safety. The Company has provided a safe working environment through ongoing hazards identification and workplace risk assessment. Some operations required the use of pressure reactions and corrosive chemicals, which could result in serious damage to life or property; the Company invested in a dedicated block so that the use of corrosive chemicals or pressurised reactions could be conducted safely.

Safety measures

- Installed a fire hydrant system
- Installed a water sprinkler
- Used flame proof fittings
- Trips and interlocks were provided on DCS
- Auto pressure and flow control
- Emergency cooling system in absence of power
- Nitrogen blanketing system
- Line jumpers and earthing provided for equipment and lines
- Open flame and sparks were strictly prohibited in process area
- Suitable kits were provided for detecting the leakages of process and flammable gases
- Precautionary notice was displayed at various places
- Process and other operations were carried out as per SOPs
- Auto temperature control cooling was implemented in limpet coil and auto flow control
- Installed safety relief valves in PRV and PSVs
- Appropriate PPE was provided

Safety initiatives

- The Company is committed towards continual improvement by adopting effective technology and work practice.
- The Company established a two-way communications system like in-house and outside.
- The Company has an organogram from the top to the bottom level.
- The Company conducted mock drills on a quarterly basis.
- The Company has a dedicated team for investigations; the management fulfilled all of safety requirements.
- Every year, the Company celebrated 'Safety Week' on National Safety Day as well and World Environment Day.

Our environment commitment

Overview

At Valiant Organics, our environment management is marked by a growing relevance to environment conservation. The Company's environment policy is to effectively protect land, water and prevent air pollution and prevent any degradation of the environment. Environment is the key role for process operation of the business to grow sustainably. The Company has an EHS policy in place and the management is committed to comply with the rules and regulation of legal compliance.

Environmental measures

General health and safety management

- Sufficient clean toilets segregated by gender are available at all times to workers.
- Ventilation temperature and lighting are adequate for the production process.
- Received Certificate of Stability from a competent authority.
- Generated health reports for employees working in hazardous areas and for chemical handlers.
- Incident statistics are being maintained.
- PPEs like face masks, helmets, hand gloves, safety shoes and safety goggle are provided free.

Fire and safety

- There are at least two exits for each work area.
- Fire-fighting equipment is adequate and checks are up-to-date.
- Safety induction is carried out for all employees and visitors.

Chemical safety

- All chemicals are correctly labelled.
- Material safety data sheets are available with hazard diagrams on chemicals needing careful handling.

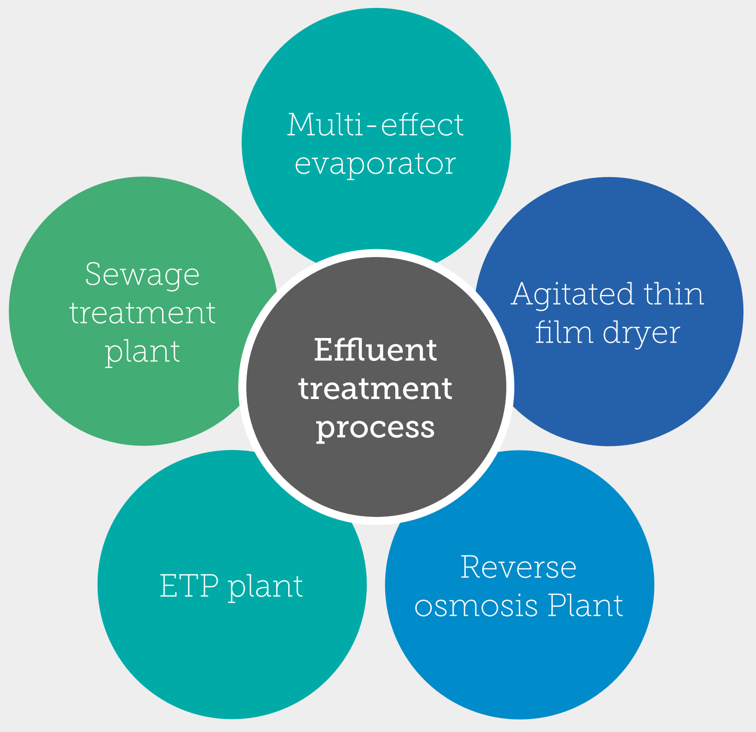
Medical services

- There are adequate first-aid box kits in each production area.
- Equipped occupational health centre was created.

- Factory medical officer was appointed.
- Certified male nurse was appointed.
- Fully equipped ambulance was available round the clock with a driver.
- Pre-employment medical tests are conducted for the workforce, including contractual and temporary workers.

Environmental initiatives

- 500 trees were planted to create a green belt inside and outside the factory.
- Ambient air monitoring was conducted.
- The Company possessed valid consent orders for air, water and consent to operate.
- Regular monitoring of water consumption was gone.



Our esteemed Board of Directors

Shri Chandrakant V. Gogri

Chairman Emeritus

Mr. Gogri is a stalwart in the Indian chemical industry and founder of the Aarti Group of Companies. He possesses an expertise in the areas of projects, operations, process development as well as local and international marketing. His business acumen and more than five decades of experience have catalysed Aarti Group's success. Under his guidance, the Company expects to sustain its growth.

Shri Velji K. Gogri

Chairman and Independent Director

Shri Arvind K. Chheda

Managing Director

Shri Mahek M. Chheda

Chief Financial Officer and Executive Director

Shri Nemin M. Savadia

Executive Director

Shri Sathiababu K. Kallada

Executive Director

Shri Siddharth D. Shah

Executive Director

Shri Vishnu J. Sawant

Executive Director

Shri Kiritkumar H. Desai

Non-Executive Director

Shri Santosh S. Vora

Non -Executive Director

Shri Mulesh M. Savla

Independent Director

Shri Navin C. Shah

Independent Director

Smt. Sonal A. Vira

Independent Director

Shri Velji K. Gogri

Mr. Gogri is a Chemical Engineer from IIT Mumbai. He possesses 37 years of experience in the chemical industry; he has a thorough understanding of chemical processes, equipment and safety. A number of manufacturing units for bulk pharmaceuticals, intermediates and fine chemicals were established by him.

Shri Arvind K. Chheda

Mr. Chheda holds a diploma in accountancy. He has over two decades of expertise in accountancy. He is also one of the promoters of the Company. He is responsible for building the corporate set up and moving the Company's corporate structure forward.

Shri Mahek M. Chheda

Mr. Chheda is a BSC graduate from college affiliated with University of London. He also has more than 7 years of work experience in the fields of finance, marketing and business development.

Shri Nemin M. Savadia

Mr. Savadia has been in the chemical industry for 25 years and manages the business administration of the Tarapur plant.

Shri Sathiababu K. Kallada

Mr. Kallada has an experience of more than 35 years in the field of chemical industry and has acted at responsible positions in Aarti Industries Limited.

Shri Siddharth D. Shah

Mr. Shah is a Bachelor in Chemical Engineering and completed his MBA in Global Business from Scotland, Heriott Watt University. He has a vast experience of 15 years in the field of chemicals, including production, factory administration, project management, operations and process development in the chemical industry.

Shri Vishnu J. Sawant

Mr. Sawant has more than 3 decades of experience in chemical manufacturing industry. He is currently responsible for running the entire operations of the Company at the factory level.

Shri Kiritkumar H. Desai

Dr. Desai is a Sr. Vice President at Aarti Industries Limited, heading product development and quality. He has in-depth experience in R&D and the quality control function for more than 32 years in chemical and pharma industries. In his career, he developed more than 200 products.

Shri Santosh S. Vora

Mr. Vora is a Post Graduate in Family Business from Indian School of Business, Hyderabad, having an experience of around 7 years in the chemical and pharmaceutical industry. Presently, he is the Managing Director of Valiant Laboratories Limited.

Shri Mulesh M. Savla

Mr. Savla is a practicing Chartered Accountant and a Partner in Shah & Savla LLP, Chartered Accountant. He possesses vast experience for more than 30 years in taxation, accounts and finance, structuring, restructuring of entities.

Shri Navin C. Shah

Mr. Shah is a practicing Chartered Accountant with more than 37 years of experience in the field of Income Tax matters. He has an expertise in Goods and Service Tax (GST).

Smt. Sonal A. Vira

Mrs. Vira, Chartered Accountant is a seasoned corporate banker with over 14 years of experience across international and domestic banks. She has deep-rooted relationships with treasury decision makers across most large conglomerates and Tier A business houses. He is a specialist in complete P&L management for the assigned geography's debt book.

Corporate Information

CHAIRMAN EMERITUS
Shri Chandrakant V. Gogri

CHAIRMAN
Shri Velji K. Gogri
(Independent Director)

MANAGING DIRECTOR
Shri Arvind K. Chheda

EXECUTIVE DIRECTORS
Shri Mahek M. Chheda
Shri Nemin M. Savadia
Shri Sathiababu K. Kallada
Shri Siddharth D. Shah
Shri Vishnu J. Sawant

NON-EXECUTIVE DIRECTORS
Dr. Kiritkumar H. Desai
Shri Santosh S. Vora

INDEPENDENT DIRECTORS
Shri Mulesh M. Savla
Shri Navin C. Shah
Smt. Sonal A. Vira

CHIEF FINANCIAL OFFICER
Shri Mahek M. Chheda

COMPANY SECRETARY
Ms. Avani D. Lakhani

STATUTORY AUDITORS
Gokhale & Sathe,
Chartered Accountants

SECRETARIAL AUDITOR
Sunil M Dedhia & Co.
Practicing Company Secretary

REGISTRAR AND SHARE TRANSFER AGENT
Link Intime India Private Limited
C-101, 247 Park, L.B.S Marg,
Vikhroli (West), Mumbai – 400 083
Tel No: 022-49186270
Fax No: 022-49186060

BANKERS
Citi Bank
HDFC Bank
Hongkong Shanghai Banking Corporation
Standard Chartered Bank

REGISTERED OFFICE ADDRESS
109, Udyog Kshetra, 1st Floor,
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Ph No: +91-22-6797 6683
Website: www.valiantorganics.com

CORPORATE IDENTIFICATION NUMBER
L24230MH2005PLC151348

Management Discussion and Analysis

Global economic overview

The global economy grew an estimated 6.1% in 2021 compared to a de-growth of 3.3% in 2020. This improvement was largely due to increased vaccination rollout the world over and a revival in economic activity based on catch-up consumption.

The global economic recovery is attributed to accelerated vaccine rollout across 4.4 billion people, around 56% of the global population (single dose). The spot price of Brent crude oil increased 53.34% from US$ 50.37 per barrel at the beginning of 2021 to US$ 77.24 per barrel at the end of the calendar year, strengthening the performance of oil-exporting countries and moderating growth in importing nations. Global FDI reported an increase from $929 billion in 2020 to an estimated $1.65 trillion in 2021.

The global economy was affected by prohibitive shipping freight rates and a shortage of shipping containers and semiconductor chips in 2021, affecting global economic recovery. Inflation was at its highest since 2011, especially in the advanced economies, catalysed a run up in commodity prices. Some emerging and developing economies were positioned to withdraw policy support to contain inflation even as the economic recovery was still incomplete.

The prominent feature of the global economic activity during the year under review was a sharp revival in commodity prices to record levels following the drop at the time of the pandemic outbreak. The commodities that reported a sharp increase in prices comprised steel, coal, oil, copper, foodgrains, fertilisers and gold.

The global economy is projected to grow at a modest 2.6% in 2022 following the Russia-Ukraine crisis. A higher interest rate environment could affect emerging markets and developing economies with large foreign currency borrowings and external financing needs in 2022.

Regional growth (%)	2021	2020
World output	6.1	(3.3)
Advanced economies	5.0	(4.9)
Emerging and developing economies	6.3	(2.4)

(Source: IMF, World Bank, UNCTAD)

Performance of major economies

United States: The country reported GDP growth of 5.7% in 2021 compared to a de-growth of 3.4% in 2020, following the government's investment of trillions of dollars in COVID relief.

China: The country's GDP grew 8.1% in 2021 compared to 2.3% in 2020 despite it being the novel coronavirus epicentre.

United Kingdom: The country's GDP grew 7.5% in 2021 compared to a 9.9% de-growth in 2020.

Japan: The country reported a growth of 1.7% in 2021 following a contraction in the previous year.

Germany: The country reported a GDP growth of 2.9% in 2021 compared to a decline of 4.9% in 2020. *(Source: World Bank, IMF, Business Standard, Times of India)*

Indian economic overview

The Indian economy reported an attractive recovery in 2021-22, its GDP rebounding from a de-growth of 7.3 per cent in 2020-21 to a growth of 8.7 per cent in 2021-22. By the close of 2021-22, India was among the six largest global economies, its economic growth rate was the fastest among major economies (except China), its market size at around 1.40 billion the second most populous in the world and its rural under-consumed population arguably the largest in the world.

Y-o-Y growth of the Indian economy

	FY19	FY20	FY21	FY22
Real GDP growth (%)	6.1	4.2	(7.3)	8.7

Growth of the Indian economy, 2021-22

	Q1, FY22	Q2, FY22	Q3, FY22	Q4, FY22
Real GDP growth (%)	20.1	8.4	5.4	4.1

The Indian economy was affected by the second wave of the pandemic that affected economic growth towards the fag end of the previous financial year and across the first quarter of the financial year under review. The result is that after a growth of 1.6 per cent in the last quarter of 2020-21, the Indian economy grew 20.1 per cent in the first quarter of FY 2021-22 due to the relatively small economic base during the corresponding period of the previous year.

India's monsoon was abundant in 2021 as the country received 99.32% of a normal monsoon, lower though than in the previous year. Based on the spatial and temporal distribution of the 2021 monsoon rainfall, the agricultural gross value added (GVA) growth in FY22 is anticipated to be 3-3.5%.

There were positive features of the Indian economy during the year under review.

India attracted the highest annual FDI inflow of US$ 83.57 billion in FY2021-22, a validation of global investing confidence in India's growth story. The government approved 100% FDI for insurance intermediaries and increased FDI limit in the insurance sector from 49% to 74% in Union Budget 2021-22.

In 2021, India was the largest recipient of global remittances. The country received US$ 87 billion in 2021, with the US being the largest source (20%). India's foreign exchange reserves stood at an all-time high of US$ 642.45 billion as of September 3, 2021, crossing US$ 600 billion in FOREX reserves for the first time.

India's currency weakened 3.59% from ₹ 73.28 to ₹ 75.91 to a US dollar through FY 22. The consumer price index (CPI) of India stood at an estimated 5.3% in FY 2021-22. India reported improving Goods and Services Tax (GST) collections month-on-month in the second half of 2021-22 following the relaxation of the lockdown, validating the consumption-driven improvement in the economy.

India ranked 62 in the 2020 World Bank's Ease of Doing Business ranking. The country received positive FPIs worth ₹ 51,000 crores in 2021 as the country ranked fifth among the world's top leading stock markets with a market capitalisation of $3.21 trillion in March 2022.

(Source: Economic Times, IMF, World Bank, EIU, Business Standard, McKinsey, SANDRP, Times of India, Livemint, InvestIndia.org, Indian Express, NDTV, Asian Development Bank)

Outlook

The Indian economy is projected to grow by a little over 7% in FY23. Across the next three years, capital expenditure in core sectors - cement, metal, oil refining and power - should be about ₹ 5 trillion. Besides, the government's production-linked incentives (PLI)–led Capex should generate an incremental ₹ 1.4 trillion in sectors like consumer durables, pharmaceuticals and automobiles.

Indian specialty chemicals industry overview

India is the world's fourth largest producer of agrochemicals behind China, Japan, and the United States. Around 16% of the world's dyestuffs and dye intermediates are produced in India. With a 15% worldwide market share, India has become a major participant in the colourants sector. India ranks eighth in worldwide imports and fourteenth in the export of chemicals, giving it a dominant position in both markets (excluding pharmaceuticals). Small and medium-sized businesses in the domestic chemicals industry are anticipated to post 18–23% revenue growth in FY22, due to improved domestic demand and greater realisation as a result of high chemical prices. By 2025, the market is expected to be worth US$ 304 billion, growing by 9.3% yearly. The demand for chemicals is expected to rise by 9% yearly by 2025.

Investments in the Indian chemicals and petrochemicals sector are projected to reach ₹ 8 lakh crore (US$ 107.38 billion) by 2025. Chemical production reached 903,002 MT in December 2021, while petrochemical production reached 1,877,907 MT. In December 2021, large amounts of the chemicals soda ash (257,000 MT), caustic soda (277,000 MT), liquid chlorine (190,492 MT), formaldehyde (22,794 MT), and herbicides and insecticides were produced (22,110 MT).

The market for chemicals and petrochemicals in India is made up of 22% specialised chemicals. In the years 2019 to 2022, the demand for speciality chemicals is anticipated to grow at a CAGR of 12%. India's share of the worldwide market for specialised chemicals increased from 3 per cent to 4 per cent between FY15 and FY21, with a CAGR of 11% for Indian producers. The expenditure of makers of specialised chemicals was expected to rise 50 percent YoY to ₹ 6,200 crore in FY22 as a result of a recovery in domestic demand and strong exports. Under the Union Budget 2022-23, the government allocated ₹ 209 crores (US$ 27.43 million) to the Department of Chemicals and Petrochemicals.

The chemical market by sub-segments in FY20

Others (biotech pharma API and others)	20%
Agrochemicals	15%
Petrochemicals	19%
Speciality chemicals	21%
Bulk chemicals	25%

(Source: PWC Indian chemical and petrochem report Nov-21)

Key trends

Changing customer preferences: As the world moves toward safer and more sustainable products and services, their demand has grown. People have become more concerned about health and hygiene after the emergence of the COVID-19 epidemic and are seeking gentler, safer and pure ingredient products.

Per capita consumption: The present per capita consumption of chemical goods in India is about one-tenth of the world average, indicating that the industry has space for expansion. By 2025, per capita consumption is predicted to have doubled.

Industry 4.0: Industry 4.0 refers to the growth of the manufacturing industry in India as a result of digitalization, which has enhanced not just value-addition but also productivity and efficiency while lowering prices. Chemical companies have been able to strengthen their supply chains, demand forecasting and pricing strategies on account of digitalization.

Investment opportunities: India has emerged as a desirable investment location for global businesses because of the country's capabilities and an anti-China attitude during the COVID-19 outbreak, as well as profitable investment laws.

Innovation and sustainability: The chemical industry continues to be an innovation-driven industry that is continually developing as a result of innovation. In addition, chemical businesses are implementing sustainability and green-chemistry programmes by continuously upgrading products, technology and processes, as well as collaborating closely with customers and suppliers across their value chains.

Opportunities & threats

Opportunities

- With India's urbanisation, demand for personal care, paints, packaged food, textiles, adhesives and building chemicals is rising.
- Following the outbreak of the COVID-19 pandemic, increasing awareness of health and hygiene has enhanced the demand for personal care and hygiene products
- The potential relocation of multinational firms from China to India could be a significant driver of India's chemicals sector.
- The country's chemical sector is expected to develop, thanks to rising chemicals demand in the agricultural and pharmaceutical sectors.
- The chemical industry has been driven by the growing need for vaccines and treatment to treat COVID-infected people across the country and it is projected to continue to do so in the medium term.
- The Indian government has permitted 100 per cent FDI in the chemicals sector via the automatic route, except for hazardous chemicals.

Threats

- The chemical industry is continually altering in response to the needs of end-users, making it difficult for businesses to retain consumers.
- The threat of cheaper imports influences local manufacturers and domestic output.
- The chemical sector has strict regulations and environmental standards due to dangerous production processes.

Growth drivers

Population: India had a population of 1.40 billion in 2022, which is expected to increase to 1.70 billion by 2050, driving the demand for speciality chemicals for construction, personal health and hygiene, agrochemical, textile and food and beverages.

Make in India: Construction chemicals demand is likely to rise as the government places a greater emphasis on 'Make in India,' leading to increased demand in a variety of downstream industrial industries.

Packaged foods: People are finding it increasingly difficult to spend time shopping for groceries and cooking their meals as their daily lives become increasingly hectic. Instead, India's use of packaged and processed foods has increased, pushing up demand for speciality chemicals.

Urbanisation: The country's urbanisation was 35.4% of its entire population in 2021 and predicted to reach 40% in 2030, resulting in an increased demand for dwellings, food and textiles in urban areas, which drives the demand for specialised chemicals.

Company overview

With an experience spanning more than three decades, Valiant Organics Limited ('the Company') is one of India's most known speciality chemical producers. The Company has been manufacturing and delivering speciality chemicals in local and international markets, backed by an extensive industry expertise and a deep domain knowledge. The Company's specialised chemicals are used in industries like agrochemicals, pharmaceuticals, dyes & pigments and veterinary medication. The Company's products quality empowers it to export across Asia, Europe and the United States, in addition to sales in India.

Manufacturing capabilities

The company produces superior quality speciality chemicals at six integrated production sites spanning Gujarat and Maharashtra. As indicated below, the facilities are tailored to a variety of processes:

Manufacturing facilities	Process
Sarigam	Chlorination
Tarapur	Ammonolysis
Vapi	Ammonolysis
Jhagadia (Units 1 & 2)	Hydrogenation, Hydrogenation with condensation, Methoxylation
Ahmedabad	Sulphonation and Acetylation

Revenue break-up

Regional growth (%)	FY 2020-21	FY 2021-22
Domestic	88%	94%
Exports	12%	6%

Operational diversity

The Company is a part of the Aarti Group with a history spanning more than three decades (includes well-known companies like Aarti Surfactants, Aarti Industries and Aarti Drugs). The organization works with several chemical processes, including acetylation, hydrogenation, ammonolysis, chlorination, and methoxylation, among others.

The Para Chlorophenol, Ortho Chlorophenol, 2, 4 Di Chlorophenol, Para Nitro Aniline, Ortho Anisidine, Para Anisidine, Para Amino Phenol etc. are among our core product offerings.

The products find downstream uses in several industries, including veterinary drugs, pharmaceuticals, dyes & pigments, and agrochemicals. The company's strategy is centred on the selection of a niche market.

The company exports to Asia, Europe, and the USA in addition to a presence throughout all of India, facilitated by of a qualified and experienced workforce.

Financial performance

The Company's revenue from operations during FY2021-22 stood at ₹94,844.73 lakhs compared to ₹57,423.86 lakhs in FY 2020-21, registering an increase of 65% y-o-y. The EBITDA of Valiant Organics Limited stood at ₹17,059.79 lakhs in FY 2021-22 compared to ₹17,416.18 lakhs in FY 2020-21, a y-o-y decline of 2%. Further, its profit after tax stood at ₹10,293.82 lakhs in FY 2021-22 compared to ₹11,459.17 lakhs in FY 2020-21, a 10% y-o-y decline. Its debt-equity ratio stood at 0.47x in FY 2021-22 compared to 0.27x in FY 2020-21.

Indicative revenue break-up as per end-user industry

	FY 2021-22	FY 2020-21
Pharmaceuticals	17%	10%
Speciality chemical	14%	30%
Agrochemicals	40%	40%
Dyes and pigments	29%	20%

Key financial ratios

Particulars	FY 2021-22	FY 2020-21	Y-o-Y Change	Explanations
Current Ratio	1.25	1.23	2.02%	Current Assets increased on account of Trade Receivables & Cash & Equivalents while Current Liabilities increased but to a lower extent
Net Debt-to-Equity	0.47	0.27	71.48%	Borrowings increased significantly (mainly short-term borrowings) as compared to Average Total Equity increase
Return on Equity	18.62%	25.37%	-26.58%	Profits decreased mainly due to an increase in costs such as Raw Material, Depreciation and Other Expenses while Average Total Equity also increased compared to the previous year
Net Capital Turnover	29.41%	18.13%	62.17%	Revenues increased on account of higher pricing and new products compared to an increase in Average Working Capital
Net Profit Ratio	10.85%	19.96%	-45.61%	Profits decreased mainly due to an increase in costs such as Raw Material, Depreciation and Other Expenses even though the revenue from operations increased

Safety, health and environment

The Company strives to benchmark its environment, health and safety to international standards to ensure people-centricity. Under health and safety, the Company undertook proactive measures in protecting the health and safety of employees and contractual workers through sanitisation of offices and manufacturing facilities, periodic thermal screening,ß social distancing and the wearing of masks and PPE kits. Further, the Company also inculcates safety training in its employees and contractual workers; it undertakes necessary safety management procedures, which makes it OHSAS 18001:2007-certified.

Further, as a sustainability focus, the Company strives to ensure minimal to zero discharge of pollutants from its manufacturing facilities. The seriousness of its focus on sustainability is validated by the fact that five of its manufacturing facilities are Zero Liquid Discharge units. Further, the Company also understands the need of reducing the use of conventional energy in the process. In doing so, the Company has focussed on converting high-pressure steam from manufacturing processes to power the plants, which has helped in cost savings. The Company initiated work on a captive renewable (solar & wind) power plant, which will moderate costs and carbon footprint.

Risk management

Being a knowledge-intensive sector, the Company is always subject to adverse impacts from not being able to innovate. Further, owing to the lockdowns and trade disruptions across the country owing to the COVID-19 pandemic, the task of transporting chemicals and compounds to customers across the globe was a challenge during the year. Further, the volatility in crude prices and foreign currency exchange rates were risks that the Company was associated with every year. The fact that China is a dominant player in the chemical manufacturing sector poses to be a continuous threat for the Company and increases the risk of cheaper imports.

Internal control systems

The Company established a well-maintained internal control framework that covers various aspects of governance, compliance, audit, control and reporting. These internal controls play an integral role in adhering to various regulatory compliance, preventing frauds, safeguarding finances and maintaining the reliability of financial reporting. The Company's internal audit team periodically conducts an audit of internal control systems and shares findings with the Company's management who, in turn, initiates prompt corrective/mitigating measures to maintain the accuracy and adequacy of internal controls.

Cautionary statement

The Management Discussion and Analysis contains statements describing the Company's objectives, projections, estimates and expectations, which may be forward-looking in nature. These statements are made within the meaning of applicable laws and regulations and are based on informed judgements and estimates. There cannot be any guarantee of previous performance continuity as future performance also involves risks and uncertainties. These may include but are not limited to the general market, macroeconomics interest rate movements, competitive pressures, technological and legislative developments and other key factors that may affect the Company's business and financial performance.

Directors' Report

To
The Members of
VALIANT ORGANICS LIMITED

Your Board of Directors ("Board") are pleased to present this 17th (Seventeenth) Annual Report of Valiant Organics Limited ("the Company"/ "VOL") along with the Audited Financial Statements and Report of Auditors thereon for the Financial Year ended March 31, 2022.

COMPANY'S FINANCIAL HIGHLIGHTS

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	2021-22	2020-21	2021-22	2020-21
Revenue From Operations	94,844.73	57,423.86	1,15,327.11	75,480.77
Other Income	556.13	1,689.95	741.75	593.81
Total Income	95,400.86	59,113.81	1,16,068.86	76,074.58
EBITDA	17,059.79	17,416.18	21,226.84	21,109.79
Depreciation & Amortisation	2,729.44	1,863.24	2,961.89	2,123.99
Profit before Finance Costs	14,330.35	15,552.93	18,264.95	18,985.80
Finance Costs	635.38	348.63	647.93	499.80
Profit before Tax	13,694.97	15,204.30	17,617.02	18,486.01
Total Tax Expenses	3,401.15	3,745.12	4,825.74	5,398.99
Net Profit for the period	10,293.82	11,459.18	12,791.28	13,087.02
Earnings Per Share (in ₹)				
Basic	37.91	44.69	41.72	44.68
Diluted	36.81	40.98	40.51	40.97

OVERVIEW OF COMPANY'S FINANCIAL PERFORMANCE

On a Standalone basis, the Revenue From Operations for FY 2022 was ₹ 94,844.73 Lakhs, higher by 65.17% over the previous year's Revenue From Operations of ₹ 57,423.86 Lakhs. The profit after tax ("PAT") attributable to shareholders for FY 2022 was ₹ 10,293.82 Lakhs as against ₹ 11,459.18 lakhs for FY 2021.

On a Consolidated basis, the Revenue From Operations for FY 2022 was ₹ 1,15,327.11 Lakhs, higher by 52.79% over the previous year's Revenue From Operations of ₹ 75,480.77 Lakhs. The profit after tax ("PAT") attributable to shareholders for FY 2022 was ₹ 12,791.28 Lakhs as against ₹ 13,087.02 Lakhs for FY 2021.

On a Standalone basis, Your Company's Earnings Before Interest Depreciation and Taxes stood at ₹ 17,059.79 Lakhs in FY 2022 as compared to ₹ 17,416.18 Lakhs in FY 2021. Likewise Earning per share ₹37.91 (Basic) and ₹36.81 (Diluted) stood at in FY 2021-22 as compared to ₹44.69 (Basic) and ₹40.98 (Diluted) in FY 2020-21.

On a Consolidated basis, Your Company's Earnings Before Interest Depreciation and Taxes stood at ₹ 21,226.84 Lakhs in FY 2022 as compared to ₹ 21,109.79 Lakhs in FY 2021. Likewise Earning per share ₹41.72 (Basic) and ₹40.51 (Diluted) stood at in FY 2021-22 as compared to ₹44.68 (Basic) and ₹40.97 (Diluted) in FY 2020-21.

DIVIDEND

The Board of Directors has recommended a Dividend of ₹ 3.5/- (@ 35%) per equity share (of 10/- each) for the Financial Year 2021-22 subject to the approval of Members at the Annual General Meeting ("AGM").The dividend payout is in accordance with the Dividend Distribution Policy which is available on the website of the Company.

DIVIDEND DISTRIBUTION POLICY

As per Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations"), the top 1000 listed companies shall formulate a Dividend Distribution Policy ("the Policy').Accordingly, the Policy was adopted to set out the parameters and circumstances that will be taken into account by the Board in determining the distribution of dividend to its members and/or retaining profits earned by the Company, Policy is available on the website of the Company and the web link thereto is: https://www.valiantorganics.com/assets/investors/dividend-distribution-policy.pdf .

TRANSFER TO RESERVES

During the year Rs. 38,40,000 were transferred to Capital Redemption Reserve on Redemption of 38,400 Redeemable Non-cumulative Preference Shares.

SHARE CAPITAL

As on March 31, 2022, the Authorized Share Capital of the Company stood at ₹40,00,00,000 comprising of 3,71,00,000 equity shares of ₹10 each and 20,00,000 Optionally Convertible Preference Shares of ₹10/- each (OCPS) and 40,000 Redeemable Non-cumulative Preference Shares of ₹100/- each and 5,00,000 redeemable preference shares of ₹ 10 each.

During the year, 38,400 Redeemable Non-cumulative Preference Shares of Rs. 100/- each were redeemed at par out of the Profit of the Company. Apart from the above, there were no changes in the Share capital. The Company has neither issued any shares with differential rights as to dividend, voting or otherwise nor issued any sweat equity shares during the year under review.

The Board created Valiant - Employees Stock Option Plan 2022 (ESOP-2022) on April 30, 2022 which was approved by Members through postal ballot on June 15, 2022.

CORPORATE SOCIAL RESPONSIBILITY

The Company's CSR initiatives and activities are aligned to the requirements of Section 135 of the Companies Act, 2013. The brief outline of the CSR policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out in **Annexure-A** of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014.

Your Company through, Aarti Foundation and various other NGOs, has been doing work in the following sectors.

- Education & Skill Development
- Childcare & Healthcare Facilities
- Women Empowerment
- Environment Sustainability
- Social Welfare
- Disaster relief and rehabilitation
- Green Environment Project

The detailed Policy on Corporate Social Responsibility is available on the website of the Company on the web link provided below; https://www.valiantorganics.com/assets/investors/CSR%20Policy.pdf

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

Human resources have always been of supreme importance at Valiant as they are the growth-drivers and the mainstay of the organization. The prominence of the people of the organization stems from the belief that they are the authors of the Company's success story. Integral to the Company's approach, Human resource development is its distinctive strategy. The strategy ensures developing and nurturing a team of competent, passionate and inspiring leaders who would turn to be the scribes of a promising future's slate. Thus, building a future ready organisation through true to type learning, innovation and world-class execution. The Company believes that the alignment of all employees to a shared vision and purpose is crucial for succeeding in the marketplace. Further it recognises the mutuality of interest with key stakeholders and is committed to building harmonious employee relations.

VOL is confident that its employees will relentlessly strive to meet the growth agenda, deliver world class performance and innovate newer things. They will thus uphold human dignity, foster team spirit and discharge their role as 'trustees' of all stakeholders with true faith and allegiance.

The Company cares for its people, customers, suppliers, and community which is reflected in the Company's policy, programs and development efforts. As of March 31, 2022, the Company had 867 permanent employees at its manufacturing plants and administrative office.

NOMINATION AND REMUNERATION POLICY

Your Company has in place a Nomination and Remuneration Policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. The Policy also lays down criteria for selection and appointment of Board Members. The remuneration paid to the Directors, Key Managerial Personnel and Senior Management of the Company is as per the terms laid down in the Nomination and Remuneration Policy of the Company.

The policy on remuneration and other matters provided in Section 178(3) of the Act has been disclosed in the Corporate Governance Report, which is a part of this report and is also available on the Company's website at the link: https://www.valiantorganics.com/assets/investors/nomination-and-remuneration-policy-new.pdf

PERSONNEL

The statement containing particulars of employees as required under Section 197(12) of the Companies Act, 2013 read with rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in Annexure and forms part of this report.

In terms of Section 136(1) of the Companies Act, 2013, the Report and the Accounts are being sent to the Members excluding the aforesaid Annexure. Any Member interested in obtaining a copy of the Annexure may write to the Company Secretary at the Registered Office of the Company for a copy of it.

MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

There are no other material changes and commitments affecting the financial position of the Company occurred between the end of the Financial Year to which these financial statements relate and the date of the report.

BUSINESS RISK MANAGEMENT

During the year under review, the Company has identified and evaluated elements of business risk. Business risk, inter-alia, further includes fluctuations in foreign exchange, Raw Material Procurement risk, Environmental & Safety Risk, Working Capital Risk, Market Risk and Business Operations Risk. The Company has put in place an Enterprise risk management policy which enables businesses to take faster, informed and quality decisions, encouraging a risk resilient culture.

The risk management framework defines the risk management approach of the Company and includes periodic review of such risk and also documentation, mitigating controls and reporting mechanisms of such risks.

In compliance with Regulation 21 of Listing Regulations, Your Company has a Risk Management Committee consisting of Shri Velji Gogri (Chairperson), Shri Arvind Chheda, Shri Mahek Chheda. The Committee through its dynamic risk management framework continuously identifies, evaluates and takes appropriate measures to mitigate various elements of risks.

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has clearly laid down policies, guidelines and procedures that form part of internal financial control systems, which provide for automatic checks and balances. Your Company has maintained a proper and adequate system of internal controls. The Company has appointed an Internal Auditor who periodically audits the adequacy and effectiveness of the internal controls laid down by the Management and suggests improvements. This ensures that all Assets are safeguarded and protected against loss from unauthorized use or disposition and that the transactions are authorised, recorded and reported diligently. Your Company's internal control systems are commensurate with the nature and size of its business operations. Internal Financial Controls are evaluated and Internal Auditors' Reports are regularly reviewed by the Audit Committee of the Board.

Statutory Auditors Report on Internal Financial Controls as required under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") is annexed with the Independent Auditors' Report.

INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

There are no amount due to be transferred to the IEPF account.

RELATED PARTY TRANSACTIONS

During the year under review, the Company revised its Policy on Related Party Transactions in compliance with the requirements of Companies Act, 2013 and amended Listing Regulations. The said policy is available on the website of the Company at https://www.valiantorganics.com/assets/investors/Related-Party-Transactions-Policy.pdf

All related party transactions that were entered into during the FY 2021-22 were on an arm's length basis and were in the ordinary course of the business. All transactions entered with related parties were in compliance with the applicable provisions of the Companies Act, 2013 read with the relevant rules made thereunder and the Listing Regulations. There are no materially significant related party transactions made by the Company with Promoters, Key Managerial Personnel or other Designated persons which may have potential conflict with interest of the Company at large.

All related party Transactions are placed before the Audit Committee for their review and approval. Prior Omnibus approval is obtained for the transactions which are foreseen and repetitive in nature. A statement of all related party transactions is presented before the Audit Committee on a quarterly basis specifying the nature, value and terms & conditions of the transactions.

The details of related party transactions are provided in the accompanying financial statements.

None of the transactions with related parties fall under the scope of Section 188(1) of the Act. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Act in Form AOC-2 is not applicable to the Company for Financial Year 2021-2022 and hence does not form part of this report.

The transactions entered by the Company during the Financial Year under review were in conformity with the Company's Policy on Related Party Transactions.

PARTICULARS OF LOANS, GUARANTEES, INVESTMENTS AND SECURITIES

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 forms part of the notes to the Standalone Financial Statement of the Company.

DEPOSITS

The Company has not accepted any deposits from the public and as such, no amount on account of principal or interest on deposits from the public was outstanding as on the date of the Balance Sheet.

The Company does not have any deposits which are not in compliance with the requirements of Chapter V of the Companies Act, 2013.

SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

The Company as on March 31, 2022 has 2(Two) subsidiaries namely, Valiant Speciality Chemical Limited, and Dhanvallabh Ventures LLP. Further, the Company has 1(One) Step-Down Subsidiary Company namely Valiant Laboratories Limited, (converted from a partnership Firm- Bharat Chemicals on August 16,2021).

As per the Financial Statement for the year ended March 31,2022, Valiant Laboratories Limited has been classified as the material subsidiary, as it fulfills the criteria given under Regulation 16(1)(c) of the Listing Regulations. A Policy on material subsidiaries had been formulated and is available on the website of the Company and the web link thereto is https://www.valiantorganics.com/ assets/investors/Policy-for-Material-Subsidiary.pdf

The Company does not have any Joint Venture or Associate Company within the meaning of Section 2(6) of the Companies Act, 2013.

During the year, the Board of Directors reviewed the affairs of the subsidiaries. Pursuant to the first proviso to Section 129(3) of the Companies Act, 2013 read with Rule 5 and 8 of the Companies (Accounts) Rules, 2014, the salient features of the financial statements and performance of each subsidiary in Form AOC-1 is disclosed under **Annexure-B** and forms integral part of this Report.

CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the provisions of the Act & Regulation 33 of Listing Regulations and applicable Accounting Standards, the Audited Consolidated Financial Statements of the Company for the Financial Year 2021-22, together with the Auditors' Report forms part of this Annual Report.

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

Composition

The composition of the Board is in conformity with Section 149 of the Companies Act, 2013 and Regulation 17 of the Listing Regulations. As on March 31, 2022, the Board comprises 12 (Twelve) Directors out of which 6 (six) are Executive Directors, 2 (Two) Non-Executive Directors and 4 (Four) Non-Executive Independent Directors. The Chairman of the Board is an Independent Director. The Board has highly qualified members and has varied experience in their respective fields.

Appointment/ Re-appointment:

During the year, Dr. Kiritkumar Haribhai Desai (DIN 08610595) was appointed as an Additional Director by the Board w.e.f. August 14, 2021 and appointed as Non-Executive Director by members in their meeting held on September 29,2021.

Shri Santosh S. Vora (DIN: 07633923) was appointed as an Additional Director by the Board w.e.f. May 01, 2022 and appointed as a Non-Executive Director by members through Postal Ballot on June 15, 2022. Shri Nemin M. Savadia (DIN: 00128256) and Shri Siddharth D. Shah (DIN: 07263018) were appointed as Additional Directors of the Company by the Board w.e.f. May 01, 2022 and June 01, 2022 respectively and their appointment as the Executive Directors of the Company was approved members through Postal Ballot on June 15, 2022.

Shri Sathiababu K. Kallada (DIN: 02107652), Non-Executive Directors' appointment as an Executive Director was approved by the members w.e.f. May 01, 2022 through Postal Ballot on June 15, 1022.

Appointment of Shri Vishnu J Sawant (DIN 03477593) as an Executive Director of the Company w.e.f July 01, 2022 was approved by members through Postal Ballot on June 15, 2022.

The Board of Directors based on the recommendations of the Nomination & Remuneration Committee at its meeting held on August 04, 2022, subject to the approval of members, appointed Shri Navin C. Shah (DIN: 01415556) and Smt. Sonal A. Vira (DIN: 09505883) as an Additional Independent Director of the Company for a period of three years w.e.f. August 04, 2022.

Shri Mahek M. Chheda (DIN: 06763870) was appointed as an Executive Director of the Company for a period of 3(three) years to hold office as such upto July 05, 2023, liable to retire by rotation. Further, based on recommendation of the Nomination and Remuneration Committee, the Board of Directors in their meeting held on August 04, 2022 re-appointed Shri Mahek M. Chheda as an Executive Director of the Company for the further period of 5 (Five) years w.e.f. July 06,2023 subject to approval of the members at ensuing Annual General Meeting.

Resolutions seeking members' approval for the appointment along with the necessary details, as required pursuant to Regulation 36 of the Listing Regulations read with Secretarial Standard-2 on General Meetings of Shri Navin C. Shah, Smt. Sonal Vira and Shri Mahek M. Chheda are provided as an Annexure to Notice of the Annual General Meeting.

Directors retiring by rotation

Pursuant to the provisions of Section 152 of the Companies Act, 2013 read with the relevant rules made thereunder, one-third of the Directors are liable to retire by rotation every year and if eligible, offer themselves for re-appointment at the Annual General Meeting.

Shri Mahek M. Chheda (DIN: 06763870) & Shri Vishnu J. Sawant (DIN: 03477593), Directors being longest in the office of the Company shall retire by rotation at the ensuing Annual General Meeting and being eligible, offers themselves for re-appointment. Based on recommendation of the Nomination and Remuneration Committee, the Board of Directors has recommended their re-appointment and the matter is being placed for seeking approval of members at the ensuing Annual General Meeting of the Company.

Pursuant to Regulation 36 of the Listing Regulations read with Secretarial Standard-2 on General Meetings, necessary details of Shri Mahek M. Chheda & Shri Vishnu J. Sawant, are provided as an Annexure to the Notice of the Annual General Meeting.

None of the Directors of the Company are disqualified for being appointed as Directors as specified in Section 164(2) of the Companies Act, 2013 and Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014.

Resignation/ Retirement

During the year, Shri Dattatray S. Galpallai (DIN No: 01853463) resigned as a Non Executive Director of the Company w.e.f. August 14, 2021 due to personal reasons.

Shri Bijal D. Modi resigned as Director of the Company w.e.f. April 10, 2022 due to medical reasons. Shri Mahesh M. Savadia and Shri Dinesh S. Shah have resigned from the office of the Director effective from April 30, 2022 and May 30, 2022, respectively due to inability to give adequate time to day to day operations of the Company. The Board placed on record its appreciation for their valuable contribution to the Company.

Smt. Jeenal K. Savla (DIN: 07545244) and Shri Dhirajlal D. Gala (DIN: 07552111)Independent Directors of the Company have retired from directorship on account of Completion of second consecutive term as Independent Directors w.e.f. June 30, 2022. The Board placed on record its appreciation for valuable contribution during their tenure as an Independent Director of the Company.

Key Managerial Personnel

During the year under review, Shri Piyush Lakhani resigned as a Chief Financial Officer of the Company w.e.f. May 25,2021 due to medical grounds. The Board of Directors based on the recommendations of the Nomination & Remuneration Committee at its meeting held on May 25,2021 appointed Shri Mahek M. Chheda as Chief Financial Officer of the Company w.e.f. May 26, 2021.

Smt. Vyoma M. Vyas (ICSI M.No.A45555) resigned as a Company Secretary and Compliance Officer of the Company w.e.f. September 04,2021 due to personal reasons. The Board of Directors based on the recommendations of the Nomination & Remuneration Committee at its meeting held on October 28,2021 appointed Ms. Avani D. Lakhani (ICSI M.No. A47118) as Company Secretary and Compliance Officer of the Company w.e.f. October 28,2021.

Declarations by Independent Directors

In accordance with Section 149(7) of the Companies Act, 2013 and Regulation 25(8) of the Listing Regulations, as amended, each Independent Director of the Company has provided a written declaration confirming that he/she meets the criteria of independence as stipulated under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations.

In the opinion of the Board, Independent Directors fulfill the conditions specified in Companies Act, 2013 read with the Schedules and Rules issued there under as well as Listing Regulations and are independent from Management.

All the Independent Directors of the Company have registered their names in the online database of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Companies Act, 2013 read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014.

Familiarization Programmes

The Company has a Familirsation programme for its Independent Director which is imparted at the time of appointment of an Independent Director on Board as well as annually. During the year, the Independent Directors of the Company were familiarized and the details of familiarization programmes imparted to them are placed on the website of the Company and the web link thereto is:https://www.valiantorganics.com/assets/investors/details-of-familirisation-programme-2021-2022.pdf

Number of Meetings of the Board

The Board met 5 (five) times during the Financial Year 2021-22. The details of Board Meetings and the attendance of the Directors at such meetings are provided in the Corporate Governance Report, which forms part of this Annual Report. The intervening gap between the meetings was within the prescribed period under the Companies Act, 2013 and the Listing Regulations.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

a. That in the preparation of the annual financial statements for the year ended March 31, 2022, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

b. That 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 and loss of the Company for that period;

c. That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the Assets of the Company and for preventing and detecting fraud and other irregularities;

d. That Directors have 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 adequate systems and processes, commensurate with the size of the Company and the nature of its business, to ensure compliance with the provisions of all applicable laws and that such systems and processes are operating effectively.

ANNUAL BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and as per the Listing Regulations, the Board of Directors has carried out annual performance evaluation of its own performance, the directors individually as well as the working of its Committees.

The Board evaluation was conducted through a questionnaire designed with qualitative parameters and feedback based on ratings. Evaluation of the Board was based on criteria such as composition and role of the Board, Board communication and relationships, functioning of Board Committees, review of performance of Executive Directors, succession planning, strategic planning, etc.

Evaluation of Directors was based on criteria such as participation and contribution in Board and Committee meetings, representation of shareholder interest and enhancing shareholder value, experience and expertise to provide feedback, and guidance to top management on business strategy, governance, risk and understanding of the organization's strategy, etc.

The performance of the Committees and Independent Directors were evaluated by the entire Board of Directors except for the Director being evaluated. The performance evaluation of the Chairman, Non-Independent Directors and Board as a whole was carried out by the Independent Directors. The Board of Directors expressed their satisfaction with the evaluation process.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

There are no significant material orders passed by the Regulators/Courts which would impact the going concern status of the Company and its future operations.

SAFETY HEALTH AND ENVIRONMENT

The Company operates according to the best practices with regards to environmental, health, safety and quality standards. After the operation resumed during Covid-19, the Company implemented strict standard operating procedures to protect the health of its employees. This covered daily sanitisation of the facilities, temperature scanning, wearing of safety gear, and ensuring social distancing among employees. With a strong commitment to Safety, Health and Environment (SHE) norms, the Company conducts regular safety training of employees and undertakes necessary safety management procedures.

The Company practises eco-friendly manufacturing with minimal to zero discharge of harmful pollutants.

Of its five manufacturing units, four are Zero Liquid Discharge Units. It also implemented an eco-friendly hydrogenation process at the Jhagadia plant during the year to meet the objective. The Company has worked towards reducing plants' energy requirement per unit of output and achieved moderate cost savings by converting high-pressure steam from manufacturing processes to power the plants.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has established a Vigil Mechanism and Whistle Blower Policy for its Directors and employees to report concerns about unethical behavior, actual or suspected fraud, actual or suspected leak of UPSI or violation of Company's Code of Conduct. It also provides for adequate safeguards against the victimisation of employees who avail of the mechanism, and allows direct access to the chairperson of the audit committee in exceptional cases. Further, your Company has prohibited discrimination, retaliation, or harassment of any kind against any employee who reports under the Vigil Mechanism or participates in the investigation.

The said Policy has been posted on the website of the Company and the web link thereto is https:// www.valiantorganics.com/assets/investors/Whistle%20Blower%20Policy.pdf

AUDITORS AND REPORTS

Statutory Auditors & their Audit Report for the year ended March 31, 2022

At the 13th Annual General Meeting held on September 29, 2018 Members had approved the appointment of Gokhale & Sathe Chartered Accountants (Firm Registration No: 103264W), to hold office till the conclusion of 18th Annual General Meeting, As per the provisions of Section 139 of the Act, they have confirmed that they are not disqualified from continuing as Auditors of the Company.

The Auditors have issued an unmodified opinion on the Financial Statements, both standalone and consolidated for the financial year ended March 31, 2022. The said Auditors' Report(s) for the financial year ended March 31, 2022 on the financial statements of the Company forms part of this Annual Report.

The Auditors Report for the financial year ended March 31, 2022 does not contain any qualification, adverse remark or reservation and therefore, do not call for any further explanation or comments from the Board under Section 134(3) of the Companies Act, 2013. The Auditors had not reported any fraud under Section 143(12) of the Act and therefore no details are required to be disclosed under Section 134 (3)(ca) of the Act.

Cost Auditors

In terms of Section 148 of the Companies Act, 2013 read with the Companies (Cost Record and Audit) Rules, 2014 the Company is required to maintain cost accounting records and have them audited every year.

The Board has appointed Ketaki D. Visariya, Cost Accountants, (Membership No.16028) as the Cost Auditors of the Company for Financial Year 2022-23 under Section 148 and all other applicable provisions of the Act.

The remuneration payable to the Cost Auditor is required to be placed before the Members in a General Meeting for their ratification. Accordingly, a resolution for seeking Member's ratification for the remuneration payable to Ketaki D. Visariya, Cost Accountants, is included at Item No. 8 of the notice convening the Annual General Meeting.

Secretarial Auditor & their Audit Report for the year ended March 31, 2022

Pursuant to the provisions of Section 204 of Companies Act, 2013 and rules made thereunder, the Board had appointed CS Sunil M Dedhia (COP no. 2031), Proprietor of Sunil M. Dedhia & Co, Company Secretary in practice to undertake Secretarial audit of the Company.

The Secretarial Audit Report is included as **Annexure-C** and forms an integral part of this Report. The Secretarial Audit Report does not contain any qualifications, reservations, adverse remarks or disclaimer. During the year under review, the Secretarial Auditor had not reported any fraud under Section 143(12) of the Act and therefore no details are required to be disclosed under Section 134 (3)(ca) of the Act.

ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Companies Act,2013, the Annual Return as on March 31, 2022 is available in prescribed format on the Company's website on www.valiantorganics.com.

CORPORATE GOVERNANCE

Corporate Governance essentially involves balancing the interests of a Company's stakeholders. The Company is committed to good Corporate Governance practices and the Corporate Governance practices of the Company are a reflection of its values, policies and relationship with our stakeholders.

Your Company has complied with the mandatory Corporate Governance requirements stipulated under the Listing Regulations. A separate Report on Corporate Governance is annexed hereto forming part of this report together with the requisite certificate from Gokhale & Sathe Chartered Accountants as stipulated under the Listing Regulations.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Pursuant to Regulation 34 read with Schedule V to Listing Regulations, Management Discussion and Analysis Report, capturing your Company's performance, industry trends and other material changes with respect to your Company's and its subsidiaries, wherever applicable, for the year under review is presented in a separate section forming part of this Annual Report.

BUSINESS RESPONSIBILITY REPORTING (BRR)

The Listing Regulations mandate the inclusion of the BRR as part of the Annual Report for top 1000 listed entities based on market capitalization. Business Responsibility Reporting for the year under review, as stipulated under Regulation 34 (f) of Listing Regulations read with SEBI Circular No. CIR/ CFD/ CMD/10/2015 dated November 4, 2015 is in a separate section, forming part of this Annual Report.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company has constituted an Internal Complaints Committee, under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and has a policy and framework for employees to report sexual harassment cases at workplace. The Company's process ensures complete anonymity and confidentiality of information.

The Company has Zero tolerance towards any action on the part of any one which may fall under the ambit of 'Sexual Harassment at workplace and is fully committed to uphold and maintain the dignity of every woman working with the Company.

The Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The below table provides details of complaints received/ disposed during the Financial year 2021-22.

Particulars	No. of Complaints
Number of complaints at the beginning of the financial year	0
No. of complaints filed and resolved during the financial year	0
No. of complaints pending at the end the financial year	0

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo as required under Section 134(3)(m) of the Companies Act, 2013, read with Rule 8(3) of the Companies (Accounts) Rules, 2014, as amended from time to time, are provided in **Annexure–D** to this report.

SECRETARIAL STANDARDS COMPLIANCE

During the year under review, the Company has complied with all the applicable Secretarial Standards issued by The Institute of Company Secretaries of India and approved by the Central Government pursuant to Section 118 of the Companies Act, 2013.

GREEN INITIATIVE

Your Company has adopted a green initiative to minimize the impact on the environment. The Company has been circulating the copy of the Annual Report in electronic form to all members whose email addresses are available with the Company. Your Company appeals to other members to also register themselves for receiving the Annual Report in electronic form.

ACKNOWLEDGEMENT

The Board of Directors places on record its sincere appreciation for the dedicated services rendered by the employees of the Company at all levels and the constructive cooperation extended by them. Your Directors would like to express their grateful appreciation for the assistance and support by all Shareholders, Government Authorities, Auditors, financial institutions, Customers, employees, suppliers, other business associates and various other stakeholders.

For and on Behalf of the Board

Sd/-
Velji K. Gogri
Chairperson
DIN:02714758

Place: Mumbai
Date: August 04,2022

ANNEXURE -A

Annual Report on Corporate Social Responsibility (CSR) Activities for Financial Year ended March 31, 2022

1. Brief Outline on CSR Policy of the Company:

The Company's policy on CSR sets out a statement containing the approach and direction given by the Board of Directors after taking into account the recommendations of its CSR Committee and includes guiding principles for selection, implementation and monitoring of activities as well as formulation of the annual action plan. This policy is framed pursuant to Section 135 of the Companies Act, 2013 read with rules made thereunder as amended from time to time.

2. Composition of CSR Committee:

Sr. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Shri Velji K. Gogri	Chairperson /Independent Director	1	1
2	Shri Arvind K. Chheda	Member/Managing Director	1	1
3	Shri Bijal D. Modi	Member/ Executive Director	1	1

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.

https://www.valiantorganics.com/assets/investors/CSR%20Policy.pdf

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).

Not applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

(₹ in Lakhs)

Sr. No.	Financial Year	Amount available for set off from preceding financial years	Amount required to be set off for the financial year, if any
1	2020-21	39.97	NIL

(₹ in Lakhs)

6.	Average net profit of the Company as per Section 135(5)	16,247.65

(₹ in Lakhs)

7.	a)	Two percent of average net profit of the Company as per Section 135(5)	324.95
	b)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years	NIL
	c)	Amount required to be set off for the financial year, if any	NIL
	d)	Total CSR obligation for the financial year (7a+7b-7c)	324.95

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (₹ In Lakhs)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6) of the Act		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5) of the Act		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
337.15	NIL	-	-	NIL	-

(b) Details of CSR amount spent against ongoing projects for the financial year 2021-22

Sr. No.	Name of the project	Item from the list of activities in the Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Project duration (in years)	Amount allocated for the project (₹ in Lakhs)	Amount spent in the current financial year(₹ in Lakhs)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (₹ in Lakhs)	Mode of implementation Direct (Yes/ No)	Mode of Implementation through implementing Agency	
				State	Disctrict						Name	CSR Registration No.
1.	Education & Skill Development	II	Yes	Gujarat	Different locations of Gujarat	3	13.71	13.71	Not Applicable	No	Aarti Foundation	CSR00000537
2.	Green Environment Project	IV	Yes	Gujarat	Vapi, Valsad	1	0.83	0.83	Not Applicable	Yes	Direct	
3.	Health Care	I	Yes	Gujarat	Kutch	3	1	1	Not Applicable	No	Aarti Foundation	CSR00000537
Total							15.54	15.54				

(c) Details of CSR amount spent against other than ongoing projects for the financial year 2021-22

Sr. No.	Name of the project	Item from the list of activities in the Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (₹ in Lakhs)	Mode of implementation Direct (Yes/ No)	Mode of Implementation through implementing Agency	
				State	Disctrict			Name	CSR Registration No.
1.	Education & skill Development	II	Yes	Uttrakhand Maharashtra Gujarat	Different locations of Uttrakhand , Maharashtra and Gujarat	32.95	No	Aarti Foundation	CSR00000537
2.	Education & skill Development	II	Yes	Gujarat	Valsad	1	Yes	-	
3.	Education	II	Yes	Gujarat	Valsad	1	Yes	-	
4.	Education	II	Yes	Maharashtra	Different locations of Mumbai	75	No	Shree KVO Sthanakwasi Jain Mahajan	CSR00002047
5	Covid-19 Relief	VIII	Yes	Maharashtra and Bihar	Mumbai Bihar	92.36	No	Aarti Foundation	CSR00000537
6	Livestock Development	IV	Yes	Gujarat & Maharashtra	Kutch, Palghar	14.15	No	Aarti Foundation	CSR00000537
7	Medical Grants, Healthcare Facilities	I	Yes	Maharashtra, Gujarat	Different locations of Gujarat and Mumbai	37.45	No	Aarti Foundation	CSR00000537

Sr. No.	Name of the project	Item from the list of activities in the Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (₹ in Lakhs)	Mode of implementation Direct (Yes/ No)	Mode of Implementation through implementing Agency	
				State	Disctrict			Name	CSR Registration No.
8	Rural and socially backward society Development	I	Yes	Maharashtra	Chandrapur	0.83	No	Aarti Foundation	CSR00000537
9	Rural and socially backward society Development	I	Yes	Maharashtra	Mumbai	0.15	Yes	-	
10	Tribal Welfare	III	Yes	Different Locations of Bihar		50	No	Aarti Foundation	CSR00000537
11	Water Management-Conservation	IV	Yes	Gujarat	Kutch	1.72	No	Aarti Foundation	CSR00000537
12	Women Empowerment & Livelihood	III	Yes	Gujarat	Ahmedabad	15	No	Aarti Foundation	CSR00000537
Total						321.61			

(d) **Amount spent in Administrative Overhead:NIL**

(e) **Amount spent on Impact Assessment, if applicable: NA**

(f) **Total amount spent for the Financial Year (8b+8c+8d+8e): 337.15 Lakhs**

(g) **Excess amount for set off, if any:12.20 Lakhs**

Sr. No.	Particulars	Amount ₹ in Lakhs
(i)	Two percent of average net profit of the Company as per Section 135(5)	324.95
(ii)	Total amount spent for the financial year	337.15
(iii)	Excess amount spent for the financial year [(ii)- (i)]	12.20
(iv)	Surplus arising out of CSR projects/programmes or activities of the previous financial year, if any	Nil
(v)	Amount available for set-off in succeeding financial year [(iii) – (iv)]	12.20

9. a) **Details of Unspent CSR amount for the preceding three financial years:**

Sr. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
1.	-	NIL	-	-	NIL	-	NIL
Total							

b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1) Sr. No	(2) Project ID	(3) Name of the project	(4) Financial year in project was commenced	(5) Project duration	(6) Total amount allocated for the project (in ₹)	(7) Amount spent on the project in the reporting Financial Year (in ₹)	(8) Cumulative amount spent at the end of reporting Financial Year. (in ₹)	(9) Status of the project - Completed /Ongoing
Not Applicable								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details):
    a) **Date of creation or acquisition of the capital asset (s) -** Not Applicable
    b) **Amount of CSR spent for creation or acquisition of capital asset -** Not Applicable
    c) **Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.-** Not Applicable
    d) **Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset) -** Not Applicable
11. 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

Sd/-
Arvind K. Chheda
Managing Director
DIN:00299741

Sd/-
Velji K. Gogri
Chairperson
DIN: 02714758

Place: Mumbai
Date: August 04,2022

Annexure 'B'

FORM AOC -1

[Pursuant to first proviso to sub – section (3) of Section 129 read with Rule 5 of Companies (Account) Rules, 2014]

Statement containing salient features of Financial Statements of Subsidiaries / Associate Companies / Joint Ventures Part "A" – Subsidiaries

(Rs. in Lakhs)

Sr. No.	Name of Subsidiary Company	Reporting Currency & Exchange Rate as on the last date of the relevant financial year in the case of foreign subsidiary	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover/ Total Income	Profit Before Taxation	Provision for Taxation	Profit after Taxation	Proposed Dividend	% of Shareholding
1.	Valiant Speciality Chemical Limited	Rupees	25.00	(3.09)	22.02	22.02	-	-	(0.31)	Nil	(0.31)	Nil	100
2.	Dhanvallabh Venture LLP	Rupees	0.50	Nil	7,916.40	7,916.40	2,886.60	325.52	308.06	Nil	308.06	Nil	73.15
3.	Valiant Laboratories Limited*	Rupees	1,628.00	5,518.04	17.440.58	17.440.58	40.21	29,040.24	4,160.27	1,420.43	2,739.83	Nil	62.5#

*Converted from Bharat Chemical to Valiant Laboratories Limited on August 16, 2021.

Holding through Dhanvallabh Ventures LLP

As per our report of even date.

For Gokhale & Sathe
Chartered Accountants
(Firm Regn No.103264W)

For and on behalf of the Board of Directors

Tejas Parikh
Partner
M. No. 123215

Arvind K. Chheda
Managing Director
DIN: 00299741

Mahek M. Chheda
Executive Director & Chief Financial Officer
DIN: 06763870

Avani D. Lakhani
(Company Secretary)
ICSI M. No. A47118

Place : Mumbai
Date - 25th May, 2022

ANNEXURE-C

Form No. MR - 3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2022

(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)

To,
The Members,
Valiant Organics Limited
(CIN: L24230MH2005PLC151348)
109, Udyog Kshetra, 1st Floor,
Mulund Goregaon Link Road,
Mulund (W), Mumbai 400080

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Valiant Organics Limited** (hereinafter called "the Company"). 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 the 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 covering the Financial Year ended on March 31, 2022 ('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 ended on March 31, 2022 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the Rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment, External Commercial Borrowings to the extent applicable;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

(d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 which were not applicable to the Company during Audit Period;

(e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

(f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 which were not applicable to the Company during Audit Period;

(g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 which were not applicable to the Company during Audit Period; and

(i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 which were not applicable to the Company during Audit Period.

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) Listing Agreement entered into by the Company with BSE Limited;

During the Audit Period under review and as per the representations and clarifications made, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

I further report that based on review of compliance system prevailing in the Company, I am of the opinion that the Company has adequate systems and processes in place commensurate with its size and nature of operations to monitor and ensure compliance with the following laws applicable specifically to the Company:

(a) The Explosive Act 1884 and Rules made thereunder;

(b) Indian Boiler Act, 1923 & The Indian Boilers Regulations 1950;

(c) Air (Prevention and Control of Pollution) Act 1981;

(d) Water (Prevention and Control of Pollution) Act 1974;

(e) The Noise (Regulation and Control) Rules 2000;

(f) Environment Protection Act, 1986 and other environmental laws;

(g) Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008; and

(h) Public Liability Insurance Act 1991.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent 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 was given to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, 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 the Board Meetings and Committee Meetings were taken unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

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.

I further report that during the Audit Period under review, there was no specific events /actions in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. having a major bearing on the Company's affairs.

This report is to be read with Annexure which forms an integral part of this report.

CS Sunil M. Dedhia
Proprietor, Sunil M. Dedhia & Co.
Practising Company Secretary
FCS No: 3483 C.P. No. 2031
Peer Review Certificate No. 867/2020
UDIN: F003483D000529360

Place: Milpitas, CA, USA
Date: June 25, 2022

Annexure

To,
The Members,
Valiant Organics Limited
(CIN: L24230MH2005PLC151348)
109, Udyog Kshetra, 1st Floor,
Mulund Goregaon Link Road,
Mulund (W), Mumbai 400080

My report 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. My responsibility is to express an opinion on these secretarial records based on my audit.

(2) I 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. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.

(3) I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

(4) Wherever required, I have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events etc.

(5) The compliance of the provisions of Corporate and Other Applicable Laws, Rules, Regulations, Standard is the responsibility of Management. My 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 the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

CS Sunil M. Dedhia
Proprietor, Sunil M. Dedhia & Co.
Practising Company Secretary
FCS No: 3483 C.P. No. 2031
Peer Review Certificate No. 867/2020
UDIN: F003483D000529360

Place: Milpitas, CA, USA
Date: June 25, 2022

ANNEXURE- D

DISCLOSURE PURSUANT TO SECTION 134(3)(m) OF THE COMPANIES ACT, 2013 READ WITH RULE 8 OF THE COMPANIES (ACCOUNTS), RULES 2014

A) Conservation of Energy

- **The steps taken on conservation of energy**
  The Company has converted its distillation operations at a Plant from Batch to continuous mode, thereby reducing energy requirement per unit of output. The Company has installed Multiple Effect Evaporators at its plants.

- **The capital investment on energy conservation equipment**
  The Company has invested on energy conservation equipment during the financial year-Nil

B) Technology Absorption, Adaptation and Innovation

The Company has automated its operations at the Sarigam plant by installation of a Distributed Control System (DCS). This will result into Safe operations and increased production

Expenditure incurred on Research and Development: ₹100 Lakhs

C) Foreign Exchange Earnings and Outgo

Foreign Exchange Earnings: ₹ 5,376 Lakhs (Previous Year: ₹ 7,055 Lakhs)

Foreign Exchange Outgo: ₹ 8,251 Lakhs (Previous Year: ₹ 5,216 Lakhs)

For and on behalf of the Board

Sd/-
Velji K. Gogri
Chairperson
DIN: 02714758

Place: Mumbai
Date: August 04,2022

Report on Corporate Governance

[Report on Corporate Governance pursuant to the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 {" Listing Regulations"} and forming a part of the report of the Board of Directors]

1. Philosophy on the code of governance:

Corporate Governance is essentially the management of an organization's activities in accordance with policies that are value-accretive for all stakeholders. The corporate governance philosophy of your Company is based on its core values; Persistent, Confident, Resilient. The Company is committed to the adoption and adherence to Corporate Governance Practices that ensure; adequate transparency to take informed decisions and building trust for impactful collaboration.

These governance practices help enhancement of long-term shareholders value and interest of other Stakeholders and also help to align with our strategy for sustainable growth. The Company is committed to maintain high standards of Corporate Governance to achieve business excellence and strengthen the confidence of all stakeholders. The Company constantly endeavors to create and sustain long-term value for all its stakeholders including, but not limited to, shareholders, employees, customers, business partners, suppliers, and the wider communities that we serve.

The Board fully appreciates the need for increased awareness for responsibility, transparency and professionalism in management of the Organization. The Board believes that Corporate Governance is not an end, it is just the beginning towards growth of the Company for long term prosperity. Continuous efforts taken towards strong governance practice have rewarded the Company in the sphere of stakeholders' confidence, valuation, market capitalisation and high credit rating.

The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI Listing Regulations, as applicable, with regard to corporate governance.

2. Board of Directors (the "Board") –

The Board is entrusted and empowered to oversee the management, direction and performance of the Company with a view to protect the interest of the stakeholders and enhance value for shareholders. The Board monitors the strategic direction of the Company.

Composition –

The Board comprises members having varied skills, experience and knowledge. The Board has a mix of both Independent and Non-independent Directors. As on close of business hours of March 31, 2022, the Board comprises Twelve (12) Directors, out of which 6 (Six) are Executive Directors, 2 (Two) are Non-Executive Non Independent Directors and 4 (Four) are Independent Directors (including one Woman Independent Director).The Chairman of the Company is Non-Executive, Independent Director. As on March 31, 2022 and as on date of this Report, the Company is in compliance with the provisions of Section 149(4) of the Companies Act, 2013 read with Regulation 17(1)(a) and 17(1)(b) of the Listing Regulations.

Independent Directors –

In terms of Section 149(7) of the Companies Act, 2013, the Independent Directors have given a declaration to the Company that they meet the criteria of independence as specified under Section 149(6) of the Companies Act, 2013 and the SEBI Listing Regulations. The Board confirms that the Independent Directors fulfill the conditions specified in terms of the Companies Act, 2013 and the Listing Regulations and that they are Independent of the management of the Company. All the Directors are in compliance with the limit on Independent Directorships of listed Companies as prescribed under Regulation 17A of the Listing Regulations. The terms and conditions of appointment of Independent Directors have been disclosed on the website of the Company as required in terms of Regulation 46 of the Listing Regulations.

All the Directors have confirmed that they are not members of more than 10 Committees and Chairman of more than 5 Committees (as specified under Regulation 26 (1) Listing Regulations) across all the Companies in which they are Directors.

Board procedure –

The Board Meeting is conducted at least once in every quarter to discuss the agenda items set for the meeting including performance, policies and the strategies required, from time to time. Agenda of the business(es) to be transacted at the Board Meeting along with explanatory notes thereto are drafted and circulated well in advance to the Board of Directors of the Company. Every Board Member is free to suggest the inclusion of any item on the agenda and hold due discussions thereto.

Meetings held during the financial year 2021-22 –

5 (Five) Board Meetings were held during the year under review and the gap between two meetings did not exceed 120 days. The meetings were held on the following dates.

Board Meeting Dates	May 25,2021	August 14, 2021	October 28, 2021	February 07,2022	March 16,2022
Start Timing	11:30 A.M.	11:30 A.M.	11:30 A.M.	11:30 A.M.	11:30 A.M.
Mode of Meeting	Meeting held through Video conferencing				Physical

Apart from the Physical/VC meetings, the Board / Committees also considered and approved certain matters by circular resolutions, which were noted at the next meeting of the Board as required in terms of the Companies Act, 2013.

Attendance, Directorships and Committee positions –

The names and categories of the Directors on the Board, their Directorship in other Companies, their attendance record, the committee positions in other Companies as on March 31, 2022, are as under:

Name of the Director	Category	Directorships as on March 31, 2022		Attendance at meetings held during the financial year 2021-22		Number of Committee Membership in other Companies (excluding Valiant Organics Limited)	
		Total no. of Directorships as on March 31, 2022 (excluding Valiant Organics Limited)	Directorship held in other listed entity	Board (out of 5)	AGM held on September 29, 2021	Chairman	Member
Shri Arvind K. Chheda (DIN: 00299741)	Promoter, Managing Director	1	None	5	√	-	-
Shri Bijal D. Modi (DIN:00616848)*	Executive Director	1	None	2	√	-	-
Shri Dattatray D. Galpalli (DIN:01853463)**	Non Executive-Non Independent Director	1	(Aarti Surfactants Limited)	2	NA	1	1
Shri Dinesh S. Shah (DIN:00345641)***	Executive Director	1	None	5	√	-	-
Shri Mahek M. Chheda (DIN: 06763870)	Executive Director	2	None	5	√	-	-
Shri Mahesh M. Savadia (DIN: 00128389)****	Executive Director	0	None	5	No	-	-
Shri Vishnu J. Sawant (DIN: 03477593)	Executive Director	0	None	5	√	-	-
Shri Sathiababu K. Kallada (DIN: 02107652)#	Non Executive-Non Independent Director	2	None	4	√	-	-
Dr. Kiritkumar H. Desai (DIN: 08610595)##	Non Executive-Non Independent Director	1	None	3	√	-	-
Shri Dhirajlal Damji Gala (DIN: 07552111)###	Independent Director	0	None	5	No	-	-
Shri Jeenal K. Savla (DIN: 07545244)###	Independent Director	0	None	5	√	-	-

Name of the Director	Category	Directorships as on March 31, 2022		Attendance at meetings held during the financial year 2021-22		Number of Committee Membership in other Companies (excluding Valiant Organics Limited)	
		Total no. of Directorships as on March 31, 2022 (excluding Valiant Organics Limited)	Directorship held in other listed entity	Board (out of 5)	AGM held on September 29, 2021	Chairman	Member
Shri Mulesh M. Savla (DIN: 07474847)	Independent Director	1	Independent Director(Aarti Surfactants Limited)	5	√	1	2
Shri Velji K. Gogri (DIN: 02714758)	Independent Director	1	None	5	√	2	2

**Resigned as Director w.e.f. April 10,2022.*
***Resigned as a Non-Executive Director w.e.f. August 14,2021.*
****Resigned as Director w.e.f. May 30,2022.*
*****Resigned as Director w.e.f. April 30,2022.*
#Appointed as an Executive Director from Non Executive Director w.e.f. May 01,2022.
##Appointed as a Non-Executive Director w.e.f. August 14,2021.
###Retired as an Independent Director w.e.f. June 30,2022.

Notes:

1) Promoter includes Promoter Group;
2) While considering the total number of directorships, directorships in private companies, foreign companies and companies incorporated under Section 8 of the Companies Act, 2013 have been excluded;
3) Includes Audit Committee, and the Stakeholders' Relationship Committee of Public Companies (listed and unlisted) only;
4) In terms of Part C of Schedule V of the Listing Regulations, it is hereby disclosed that there is no inter-se relationship amongst the Directors.
5) The number of Directorship, Chairmanship/ Membership in Committees of all Directors is within prescribed limit under Companies Act, 2013 and Regulation 26 of Listing Regulations.

Skills / expertise / competencies of the Board of Directors –

The table below summarizes the broad list of core skills / expertise / competencies identified by the Board of Directors, as required in the context of the Company's business / sector and the said skills are available with the Board members:

List of core skills/expertise/competencies identified by the board of directors as required in the context of the business(es) and sector(s)		Names of directors who have such skills / expertise / competence.
Industry Experience	Experience in Speciality chemical & Pharmaceutical industry	All the Executive Directors and Shri Velji K. Gogri
Operations, Technology, Sales and Marketing	Experience in sales and marketing management based on understanding of the consumer & consumer goods industry	Shri Arvind K. Chheda Shri Mahek M. Chheda Shri Bijal D. Modi Shri Dattatray S. Galpalli Shri Vishnu J. Sawant Dr. Kiritkumar H. Desai

List of core skills/expertise/competencies identified by the board of directors as required in the context of the business(es) and sector(s)		Names of directors who have such skills / expertise / competence.
Leadership	Extensive leadership experience of an organization for practical understanding of the organization, its processes, strategic planning, risk management for driving change and long-term growth	Shri Mahek M. Chheda Shri Arvind K. Chheda Shri Dinesh S. Shah Shri Mahesh M. Savadia Shri Sathiababu K. Kallada
Understanding of Global Business	Owing to presence across the globe, the understanding of global business & market is seen as pivotal.	
Finance and Banking	Finance field skills/competencies/ expertise is seen as important for intricate and high quality financial management and financial reporting processes	Shri Arvind K. Chheda Shri Mulesh M. Savla Smt Jeenal K. Savla Shri Mahek M. Chheda
Legal/Governance/ Compliance	In order to strengthen and maintain the governance levels & practices in the organization	Shri Dhirajlal D. Gala Shri Mulesh M. Savla Shri Mahek Chheda Dr. Kiritkumar H. Desai

Certificate from Company Secretary in Practice –

Certificate as required under Part C of Schedule V of Listing Regulations,received from CS Sunil M. Dedhia proprietor of Sunil M. Dedhia & Co. ,Practicing Company Secretaries, that none of Directors on the Board of the Company have been debarred and disqualified from being appointed or continuing as Directors of the Company by an order from the Securities and Exchange Board of India /Ministry of Corporate Affairs or any such statutory authority.

KYC of Directors –

Pursuant to the Companies (Appointment and Qualification of Directors) Fourth Amendment Rules, 2018, all the Directors of the Company have completed the KYC for the Financial Year 2021-22.

Independent Directors Databank registration –

Pursuant to a notification dated October 22, 2019 issued by the Ministry of Corporate Affairs, all Directors have completed the registration with the Independent Directors Databank. The requisite disclosures have been received from the Directors in this regard.

Code of ethics –

The Company has prescribed a code of ethics for its Directors and senior management. The code of ethics of the Company has been posted on its website https://www.valiantorganics.com/assets/investors/code-of-conduct.pdf

The declaration from the Managing Director in terms of Regulation 34(3) read with Part D of Schedule V of the Listing Regulations, stating that as of March 31, 2022, the Board members and the senior management personnel have affirmed the compliance with the Code of Ethics laid down by the Company forms integral part of this Report.

Code of practices and procedures for fair disclosure of unpublished price sensitive information and code of conduct to regulate, monitor and report trading by insiders –

In Compliance with the SEBI (Prohibition of Insider Trading)Regulations, 2015, the Company has adopted a "Code on Prohibition of Insider Trading" to regulate, monitor and report trading by Designated Persons identified by the Company and their Immediate Relatives. The Code lays down procedures to be followed and disclosures to be made while trading in the Company's shares from time to time. Also this code includes practices and procedures for fair disclosure of unpublished price sensitive information. The same is posted on the Company's website at https://www.valiantorganics.com/assets/investors/Code-of-Insider-Trading-Regulations-2015.pdf

Familiarization Programme –

At the time of appointment, the Independent Directors are made aware of their roles and responsibilities through a formal letter of appointment which stipulates various terms and conditions. At Board and Committee meetings, the Independent Directors are regularly being familiarized on the business model, strategies, operations, functions, policies and procedures of the Company and its subsidiaries. Details of familiarization Programmes imparted to Independent Directors are disclosed on the Company's website https://www.valiantorganics.com/assets/investors/details-of-familirisation-programme-2021-2022.pdf.

Separate meeting of Independent Directors –

In accordance with the provisions of Schedule IV of the Companies Act, 2013 and Regulation 25 of the Listing Regulations, a separate meeting of the Independent Directors was held on March 31, 2022 without the participation of Non-Independent Directors and the members of the management. The Independent Directors discussed various aspects, viz. performance of non-Independent Directors and the Board as a whole, performance of the chairperson of the Company, quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform duties.

3. Committees of Board –

In compliance with the requirements of the Companies Act, 2013 and the Listing Regulations, the Board of Directors has constituted various Committees. These Committees are entrusted with such powers and functions as detailed in their respective terms of reference.

The composition, meetings, attendance and the detailed terms of reference of various Committees of the Board are as under:

(i) Audit Committee –

The Audit Committee of the Company is duly constituted as per Regulation 18 of the Listing Regulations, read with the provisions of Section 177 of the Companies Act, 2013. All the Members of the Audit Committee are financially literate and capable of analysing Financial Statements of the Company.

Composition, Meetings and Attendance –

During the Financial Year 2021–22 the Audit Committee met 5 (Five) times. The Composition of the Committee, date of the meetings and attendance of Audit Committee members in the said meetings is given below -

Name of Members	Category	Meeting Dates	May 25,2021	August 14,2021	October 28,2021	February 07,2022	March 16,2022
		Mode of Meeting	Through Video conferencing				Physical
		Start Timing	10:30 A.M	10:30 A.M	10:30 A.M	10:00 A.M	11:00 A.M
		No. of Meetings attended					
Smt. Jeenal K. Savla (Chairperson)	Independent Director	5	√	√	√	√	√
Shri Dhirajlal D. Gala (Member)	Independent Director	5	√	√	√	√	√
Shri Velji K. Gogri (Member)	Independent Director	5	√	√	√	√	√
Shri Mulesh M. Savla (Member)	Independent Director	5	√	√	√	√	√
Shri Arvind K. Chheda (Member)	Managing Director	5	√	√	√	√	√
Shri Bijal D. Modi (Member)	Executive Director	1	-	-	√	-	-

The Chief Financial Officer, Functional Heads, Representatives of the Statutory auditors, Internal auditors, Cost Auditor, as and when required attend the meetings of the Audit Committee from time to time. The Company Secretary of the Company acts as the secretary to the Audit Committee. The Chairperson of the Audit Committee attended the 16th Annual General Meeting held on 29th day of September, 2021.

Terms of Reference: The brief terms of reference of the Audit Committee include the following :

1) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

2) Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;

3) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

4) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

   (a) Matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;

   (b) Changes, if any, in accounting policies and practices and reasons for the same;

   (c) Major accounting entries involving estimates based on the exercise of judgment by management;

   (d) Significant adjustments made in the financial statements arising out of audit findings;

   (e) Compliance with listing and other legal requirements relating to financial statements;

   (f) Disclosure of any related party transactions;

   (g) Modified opinion(s) in the draft audit report;

5) Reviewing, with the management, the quarterly financial statements before submission to the board for approval;

6) 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 the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;

7) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

8) Approval or any subsequent modification of transactions of the listed entity with related parties;

9) Scrutiny of inter-corporate loans and investments;

10) Valuation of undertakings or assets of the listed entity, wherever it is necessary;

11) Evaluation of internal financial controls and risk management systems;

12) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

13) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

14) Discussion with internal auditors of any significant findings and follow up there on;

15) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

16) 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;

17) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

18) To review the functioning of the whistle blower mechanism;

19) Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;

20) Carrying out any other function as is mentioned in the terms of reference of the audit committee. Reviewing the utilisation of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of

the asset size of the subsidiary, whichever is lower including existing loans / advances / investments.

Mandatorily review the following information:

1) Management discussion and analysis of financial condition and results of operations;
2) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
3) Management letters / letters of internal control weaknesses issued by the statutory auditors;
4) Internal audit reports relating to internal control weaknesses;
5) The appointment, removal and terms of remuneration of the internal auditor shall be subject to review by the audit committee.
6) Statement of deviations:
   (a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
   (b) Annual statement of funds utilised for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7).

During the year under review, the Audit Committee also reviewed and approved the related party transactions from time to time.

(ii) Stakeholders Relationship Committee –

The Stakeholders Relationship Committee has been constituted as per the requirements of Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI Listing Regulations.

Composition, Meetings and Attendance –

During the Financial Year 2021-22 Stakeholders Relationship Committee met 1(one) time. The Composition of the Committee, date of the meetings and attendance of Stakeholders Relationship Committee members in the said meetings is given below –

Members	Category	Meeting Date	March 31, 2022
		Mode of Meeting	Video conferencing
		Start Timing	04:00 P.M.
Shri Mulesh M. Savla (Chairperson)	Independent Director	√	√
Shri Arvind K. Chheda (Member)	Managing Director	√	√
Shri Dhirajlal D. Gala (Member)	Independent Director	√	√

Terms of Reference – The brief terms of reference of the Stakeholders Relationship Committee shall, inter alia, include the following:

1) Resolving the grievance of the security holders of the Company 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.
2) Review of measures taken for effective exercise of voting rights by shareholders.
3) Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
4) Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/ statutory notices by the shareholders of the Company;
5) Such other acts, deeds, matters and things as may be stipulated in terms of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations") and / or such other regulatory provisions, as amended from time to time, as also as the Board of Directors of the Company may consider think fit.

Name, designation and contact details of the Compliance Officer – Ms. Avani D. Lakhani, Company Secretary (ICSI M.No. A47118), is the Compliance Officer of the Company.

The Compliance Officer can be contacted at the Registered office of the Company at:

109,Udyog Kshetra, 1st Floor,
Mulund Goregaon Link Road, Mulund (West),
Mumbai-400080,
Maharashtra, India;

Tel.: +91 22 25916545;

Fax: +91 22 25913765;
Email: investor@valiantorganics.com;
Website: www.valiantorganics.com

Separate email-id for redressal of investors' complaints –

As per Regulation 6 of the Listing Regulations, the Company has designated a separate email id (investor@valiantorganics.com) exclusively for registering complaints by investors.

Status of investors' complaints as on March 31, 2022 –

During the year, no Complaints were received through the SCORE portal of SEBI.No request for Share Transfer or Dematerialisation was pending for approval as on March 31, 2022.

(iii) Nomination and Remuneration Committee –

The Nomination and Remuneration Committee of the Board has been constituted as per the requirements of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations.

Composition, Meetings and Attendance –

During the Financial Year 2021–22 Nomination and Remuneration Committee met 4(Four) times.

The Composition of the Committee, date of the meetings and attendance of Nomination and Remuneration Committee members in the said meetings is given below–

Name of Members	Category	Meeting Date	May 25,2021	August 14,2021	October 28,2021	March 16,2022
		Mode of Meeting	Through Video conferencing			Physical
		Start Timing	10:00 A.M.	10:00 A.M	10:00 A.M	10:30 A.M.
		No. of Meetings attended				
Shri Mulesh M. Savla (Chairperson)	Independent Director	4	√	√	√	√
Smt. Jeenal K. Savla (Member)	Independent Director	4	√	√	√	√
Shri Velji K. Gogri (Member)	Independent Director	4	√	√	√	√

Terms of reference – The brief terms of reference of the Nomination and Remuneration Committee shall, inter alia, include the following:

1) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
2) Formulation of criteria for evaluation of performance of independent directors and the board of directors;
3) Devising a policy on diversity of board of directors;
4) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;
5) 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;
6) Recommend to the board, all remuneration, in whatever form, payable to senior management.

Nomination and Remuneration policy –

I. Criteria and Qualification for Nomination & Appointment

A person to be appointed as Director, Key Managerial Personnel (KMP) or at Senior Management level should possess adequate and relevant qualification, expertise and experience for the position that he/ she is being considered for.

II. Policy on Remuneration

The Company considers human resources as its invaluable assets. The remuneration policy endorses equitable remuneration to all directors, key managerial personnel and employees of the Company consistent with the goals of the Company.

The Remuneration policy for all the employees are designed in a way to attract talented executives and remunerate them fairly and responsibly, this being a continuous ongoing exercise at each level in the organization.

Executive Directors

The Company remunerates its Executive Directors by way of salary and commission based on performance of the Company.

Remuneration is paid within the limits as approved by the shareholders within the stipulated limits of the Companies Act, 2013 and the Rules made thereunder. The remuneration paid to the Executive Director is determined keeping in view the industry benchmark and the performance of the Company.

Non-Executive Directors

Non-executive Directors are presently receiving sitting fees (including reimbursement of expenses) for attending the meeting of the Board and its Committees as per the provisions of the Companies Act, 2013 and the rules made thereunder.

Key Managerial Personnel [KMP] and other employees

The remuneration of KMP and other employees largely consists of basic salary, perquisites, allowances and performance incentives (wherever paid). Perquisites and retirement benefits are paid according to the Company policy. The components of the total remuneration vary for different grades and are governed by the industry pattern, qualification & experience/ merits, and performance of each employee.

Remuneration to Executive Directors –

(IN ₹)

Name of Director(s)	Salary and other Perquisites (including Bonus)	Commission	Total Remuneration
Shri Arvind K. Chheda	29,70,000	68,45,500	98,15,500
Shri Mahesh M. Savadia	14,73,396	-	14,73,396
Shri Vishnu J. Sawant	2,040,000	-	2,040,000
Shri Mahek M. Chheda	19,80,000	-	19,80,000
Shri Dinesh S. Shah	13,38,544	-	13,38,544
Shri Bijal D. Modi	27,50,000	-	27,50,000

Notes: a) Figures are exclusive of cost of perquisites; contribution to provident fund, superannuation fund, driver's salary, and taxable value of Car perquisite.

Remuneration to Non - Executive Directors – The Non- executive Directors are paid remuneration in the form of sitting fees for attending the meetings of the Board and / or Committees thereof which is within the limits prescribed by the Companies Act, 2013. The details of the sitting fees paid, stock options granted and shares held by the Non - Executive Directors during the financial year 2021-22 are as under:

Name of Director(s)	Sitting fees (IN Rs.)	Stock options granted	Shareholding in the Company	% of Total Shareholding
Shri Sathiababu K. Kallada	40,000	-	1600	0.00
Shri Dattatray S. Galpalli	20,000	-	0	0.00
Dr. Kiritkumar H. Desai	30,000	-	600	0.00
Shri Dhirajlal D. Gala	85,000	-	0	0.00
Smt. Jeenal K. Savla	1,00,000	-	0	0.00
Shri Mulesh M. Savla	1,05,000	-	0	0.00
Shri Velji K. Gogri	1,15,000	-	9800	0.00

Transactions with the Non-executive Directors –

The Company does not have material pecuniary relationship or transactions with its Non-executive Directors except the payment of sitting fees for attending the meetings of Board / Committees, as disclosed in this Report.

Board evaluation –

The process for evaluation of performance of the Board has been established. Accordingly, an annual evaluation has been carried out through a questionnaire having qualitative parameters in terms of the provisions of the Companies Act, 2013, Regulations 17 and 25 of the Listing Regulations. The performance was evaluated on the basis of the criteria such as the composition, attendance, participation, quality and value of contributions, knowledge, skills, experience, etc.

Independent Directors Evaluation –

The criteria for performance evaluation include areas relevant to the functioning as Independent Directors such as preparation,participation, conduct and effectiveness.

The performance evaluation of Independent Directors is carried out by the Board of Directors without the presence of the Director being evaluated.

(iv) Corporate Social Responsibility (CSR) Committee –

The Corporate Social Responsibility (CSR) Committee has been constituted as per the requirements of Section 135 of the Companies Act, 2013.

Composition, Meetings and Attendance – During the Financial Year 2021–22 Corporate Social Responsibility Committee met 1(one) time. The Composition of the Committee, date of the meetings and attendance of Corporate Social Responsibility Committee members in the said meeting is given below –

Name of Director(s)	Category	Meeting Date	August 14,2021
		Mode of Meeting	Physical
		Start Timing	9:30 A.M.
Shri Velji K. Gogri (Chairperson)	Independent Director	1	√
Shri Bijal D. Modi (Member)	Executive Director	1	√
Shri Arvind K. Chheda (Member)	Executive Director	1	√

Terms of reference – The brief terms of reference of CSR Committee includes the following:

1) Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII to the Companies Act, 2013, as amended, read with Rules framed thereunder;

2) Recommend the amount of expenditure to be incurred on such activities; and

3) Monitor the Corporate Social Responsibility Policy of the Company from time to time.

The Board has also approved CSR Policy. The Annual Report on CSR Activities as required to be given under Section 135 of the Companies Act, 2013 and Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 has been provided in an Annexure which forms part of the Directors' Report.

v) Risk Management Committee –

The Board of Directors has constituted a Risk Management Committee and also approved Risk Management Policy in accordance with the provisions of Regulation 21 of the Listing Regulations.

Composition, Meetings and Attendance – During the Financial Year 2021–22 Risk Management Committee met 2(Two) times. The Composition of the Committee, date of the meetings and attendance of Risk Management Committee members in the said meeting is given below –

Name of Members	Category	Meeting Date	October 28,2021	March 31,2022
		Mode of Meeting	Physical	
		Start Timing	5:30 P.M.	10:00 A.M.
		No. of Meetings attended		
Shri Velji K. Gogri (Chairperson)	Independent Director	2	√	√
Shri Arvind K. Chheda (Member)	Executive Director	2	√	√
Shri Mahek M. Chheda (Member)	Executive Director	2	√	√

Terms of Reference- The brief terms of reference of the Risk Management Committee shall, inter alia, include the following:

1) Formulate a detailed risk management policy which shall include:

   A. A framework for identification of internal and external risks specifically faced by the listed entity, 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) Ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

3) Monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

4) Periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

5) Keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

6) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

4. General Body Meetings –

i. Details of Last three Annual General Meetings are as under –

Financial Year	Day, Date & Time	Venue	Special Resolutions passed for
2018-19 (14th AGM)	Monday, September 30, 2019 3:00 p.m.	Prasad Food Divine, Mulund-Goregaon Link Road, Opposite D Mart, Mulund West, Mumbai- 400080	a) Re-appointment of Shri Dhirajlal D. Gala as an Independent Director for the period of 3 (Three) years. b) Re-appointment of Sm.t Jeenal K. Savla as an Independent Director for the period of 3 (Three) years. c) Approval of "Valiant Restricted Stock Unit Incentive Plan FY 2020
2019-20 (15th AGM)	Tuesday, September 29, 2020 11:30 a.m.	(through Video Conferencing)	a) Re-appointment of Shri Velji K. Gogri as an Independent Director for the period of 3 (Three) years.
2020-2021 (16th AGM)	Wednesday, September 29, 2021 11:30 a.m.	(through Video Conferencing)	a) Re-appointment of Shri Mulesh M. Savla as an Independent Director for the period of 3 (Three) years w.e.f. April 20,2022.

ii. Extraordinary General Meetings:

Financial Year	Day, Date & Time	Resolutions passed for
2020-21	Tuesday, December 15, 2020	Business Transacted by way of Ordinary Resolution a) Increase in authorized share capital to enable issue of bonus shares: b) Alteration of Clause V of Memorandum of Association to reflect the increase in the authorized share capital proposed under Item no. 1 for the issue of bonus shares: c) Approval for the issue of bonus shares:

iii. Details of resolutions passed by way of postal ballot –

As per Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014, during the year under review, no resolutions were passed by members of the Company through Postal Ballot.

5. Means of Communication

Quarterly Results	The Company communicates to the Stock Exchanges about the quarterly financial results within 30 minutes from the conclusion of the Board Meeting in which the same is approved. The results are usually published in the Financial Express (English) edition and Navshakti (Marathi) edition. These results are also available on the website of the Company at www.valiantorganics.com.
Website	All the information and disclosures required to be disseminated as per Regulation 46(2) of the Listing Regulations and Companies Act, 2013 are being posted at Company's website at www.valiantorganics.com The official news releases and presentations to the institutional investors or analysts, if made any are disseminated to the Stock Exchange at www.nseindia.com and www.bseindia.com and the same is also uploaded on the website of the Company at www.valiantorganics.com
Designated E-mail address for investor services	The designated e-mail address for investors complaints is investor@valiantorganics.com

6. General Shareholders Information:

AGM day, date, time and venue	Wednesday, September 28, 2022, 11:30 a.m. by way of video conferencing/ other audio visual means
Financial Year	April to March
Record Date	September 21, 2022.
Dividend Payment Date	On or before October 27, 2022 Dividends are subject to TDS.
Registered Office	109, Udyog Kshetra, First Floor, Mulund Goregaon Link Road, Mulund (W), Mumbai-400080
CIN	L24230MH2005PLC151348
Name and Address of Stock Exchanges where Company's securities are listed	**BSE Limited** Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001, India Tel. : +91-22-22721234 | Fax : +91-22-22722041 **National Stock Exchange of India Limited** Exchange Plaza Plot No.C/1, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051, India Tel. : +91-22-26598100 | Fax : +91-22-26598237
Stock Code / Symbol	BSE Limited : **540145** National Stock Exchange Limited: **VALIANTORG**
Listing fees	The Annual Listing fees for the financial year 2022-23 have been paid to the respective Stock Exchanges.
Share Registrar and Transfer Agents	**Link Intime India Private Limited** C 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400083, Maharashtra, India Tel No.: +91-22-4918 6270 Fax No.: +91-22-4918 6060 Investor query registration: rnt.helpdesk@linkintime.co.in
Company Secretary & Compliance officer	Ms. Avani D. Lakhani

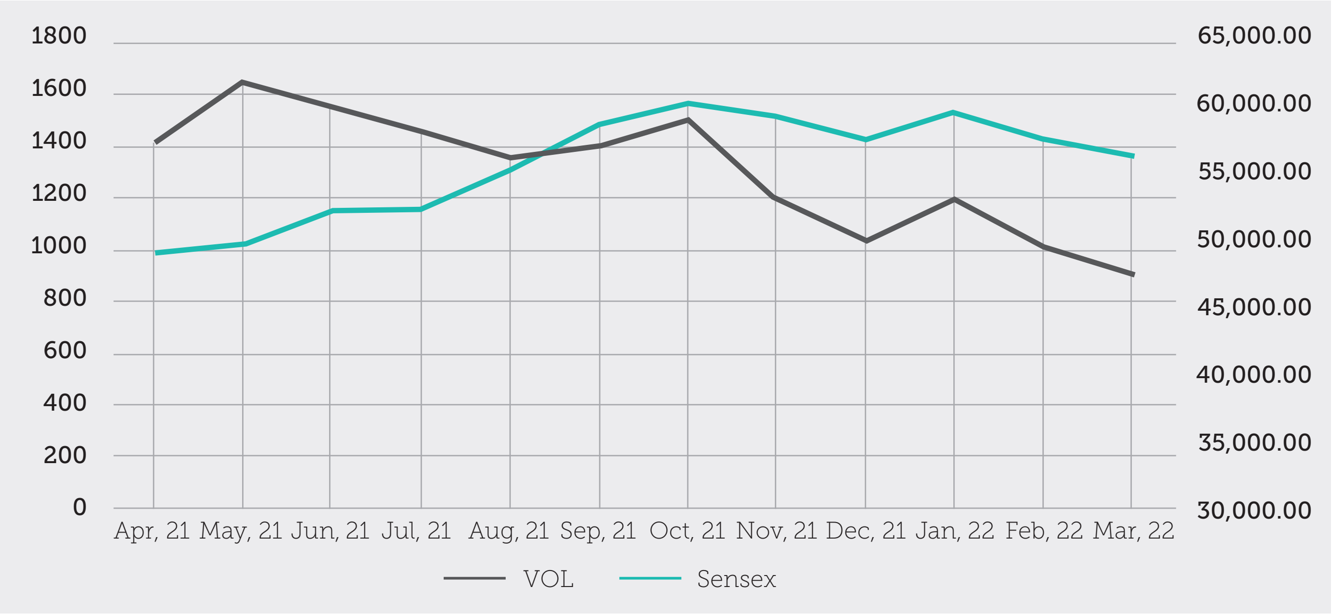
Tentative Financial Calendar:

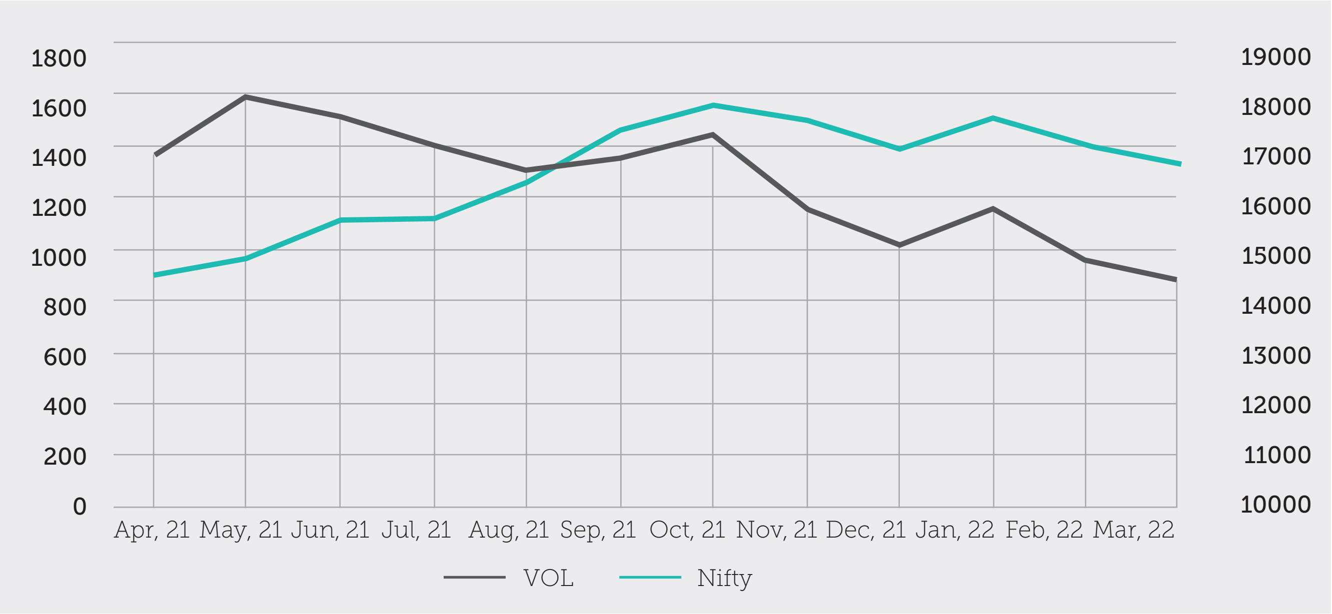
Financial Year	April 01, 2022 to March 31, 2023
Adoption of Quarterly Results for the quarter ending :	
June, 2022	1st week of August, 2022
September, 2022	1st/2nd week of November, 2022
December, 2022	1st/2nd week of February, 2023
March, 2023	1st/2nd/3rd week of May, 2023

Market Price Data (high, low in each month in last financial year):

Month	BSE LIMITED			National Stock Exchange India Limited		
	High (₹)	Low (₹)	Volume	High (₹)	Low (₹)	Volume
April, 2021	1,613.95	1,239.80	1,11,894	1616.00	1,238.65	9,14,962
May, 2021	1,845.00	1,486.00	2,41,613	1,848.00	1,488.00	21,54,266
June, 2021	1,720.40	1,479.55	1,06,355	1,719.95	1,477.40	11,85,501
July, 2021	1,639.00	1,354.00	95,124	1,575.00	1,354.65	7,46,195
August, 2021	1,486.35	1,281.60	3,71,993	1,488.45	1,280.00	16,74,861
September,2021	1,492.95	1,285.00	1,16,831	1,483.00	1,284.00	12,09,008
October, 2021	1,674.50	1,296.00	1,95,843	1,664.95	1,294.95	23,95,700
November, 2021	1,347.85	1,003.50	1,15,004	1,346.60	1,003.50	9,02,988
December, 2021	1,190.00	975.00	1,03,954	1,123.95	970.00	9,54,768
January, 2022	1,358.95	1,044.95	1,37,569	1,358.90	1,043.55	15,83,136
February, 2022	1,195.65	794.70	2,45,194	1,195.00	791.00	9,84,844
March, 2022	1,089.15	831.15	6,67,877	1,090.00	832.05	37,17,596

Performance in comparison to broad based indices:





Share Transfer System:

In terms of Regulation 40(1) of Listing Regulations, as amended, securities can be transferred only in dematerialised form w.e.f. April 1, 2019, Members holding shares in physical form are requested to consider converting their holdings to dematerialised form. Transfer of Equity Shares in electronic form are effected through the depositories with no involvement of the Company.

Shareholding Pattern (Equity) as on March 31, 2022

Category	No. of Shares	%
Promoters	1,05,91,143	39.00
Mutual Funds	3,55,950	1.31
Foreign Portfolio Investor	4,68,892	1.73
Public	1,44,69,000	53.28
Bodies Corporate	2,62,359	0.98
Others	10,06,144	3.70
Total	**2,71,53,488**	**100.00**

Shareholding Pattern (Optionally Convertible Preference Shares) as on March 31, 2022

Category	No. of Shares	%
Promoters	2,02,359	49.90
Mutual Funds	-	-
Foreign Portfolio Investor	-	-
Public	2,03,202	50.10
Bodies Corporate	-	-
Others	-	-
Total	**4,05,561**	**100**

Distribution of Shareholding as on March 31, 2022

Range	Shareholders		Equity Shares	
	Number	%	Number	%
1 – 500	31933	95.11	1643885	6.05
501 – 1000	702	2.09	517410	1.91
1001 – 2000	473	1.41	673556	2.48
2001 – 3000	150	0.45	369778	1.36
3001 – 4000	68	0.20	238900	0.88
4001 – 5000	40	0.12	182555	0.67
5001 – 10000	88	0.26	619034	2.28
Above 10000	121	0.36	22908370	84.37
Total	**33575**	**100.00**	**27153488**	**100.00**

Dematerialisation of shares and liquidity

99.32 of the Paid-up Capital is held in Dematerialised form with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as on March 31, 2022 under ISIN No:**INE565V01010.**

Particulars	NSDL	CDSL	Physical	Total
Shares (nos.)	20121043	6848971	183474	27153488
Shares (%)	74.10	25.22	0.68	100

ADRs/GDRs/Warrants

The Company has not issued any ADRs/GDRs/Warrants.

Commodity Price Risk or Foreign exchange risk and hedging activities

During the year 2021-22, the Company had managed the foreign exchange risk and hedged to the extent considered necessary. The Company enters into forward contracts for hedging foreign exchange exposures against exports and imports. The details of foreign currency exposure are disclosed in Notes to the Annual Accounts.

Plant Locations

- Plot Nos.2906, 752/755, GIDC Estate, Phase III, Sarigam, Vapi – 396 195, Dist. Valsad, Gujarat
- Plot No. M-7 MIDC Tarapur, Boisar, Taluka Palghar-401506
- Plot no, 286/2, A-1 322/11, 2nd Phase, Vapi -396195,Gujarat
- Plot No. 775,776,777, 915,918,919 GIDC, Jhagadia, Dist-Bharuch, Gujarat-393110
- Plot No.A-210,231,232.233,235,236, GIDC Estate, Phase-II, Vatva, Ahmedabad, Gujarat-382445

xx. List of all credit rating

During the year Crisil rating has upgraded Long term issuers ratings of the Company to 'CRISIL A/Stable' from 'CRISIL A-/Positive'. Following is the summary of latest credit ratings obtained of the Company:

Facilities	CRISIL Rating
Long Term Issuers Rating Covering various term loan and Working Capital	CRISIL A/ Stable
Short Term Rating	CRISIL A1 (Assigned)

xxi. Address for Correspondence

Registered Office:

109, Udyog Kshetra, First Floor, Mulund Goregaon Link Road, Mulund (W), Mumbai-400080

xxii. **Details with respect to Demat Suspense Account/Unclaimed Suspense Account as per Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:**

Particulars	Shareholders		Physical	
	No. of Shareholders	No. of equity shares	No. of Shareholders	No. of equity shares
Aggregate no. of shareholders and the outstanding shares in the suspense account lying as on April 1, 2021	Nil	Nil	Nil	Nil
Number of shareholders who approached the Company for transfer of shares from suspense accounts during the year	-	-	-	-
Number of shareholders to whom shares were transferred from the suspense account during the year	-	-	-	-
Shares Transferred to IEPF A/c	-	-	-	-
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on March 31, 2022	Nil	Nil	Nil	Nil

xxiii. **CEO/CFO Certification**

As required under Regulations 17(8) and 33(2)(a) of Listing Regulations, certificates are duly signed by Shri Arvind K. Chheda Managing Director and Shri Mahek M. Chheda, Chief Financial Officer were placed at the Meeting of the Board of Directors held on May 25, 2022 copy of which is attached in this Annual Report.

7. Disclosures

I. **Disclosures on Materially Significant Related Party Transactions that may have potential conflict with the interests of the Company.**

During the year, there were no material related party transactions i.e. transactions of the Company of a material nature with its promoters, the Directors or the management, their subsidiaries or relatives etc. that may have a potential conflict with the interests of the Company at large. All related party transactions are mentioned in the notes to the accounts.

As required under Regulation 23(1) of SEBI Listing Regulations, the Company has formulated a policy on dealing with related party transactions. The said policy is also available on the website of the Company. The weblink thereto is https://www.valiantorganics.com/assets/investors/Related-Party-Transactions-Policy.pdf

II. **Details of Non-Compliance by the Company, Penalties, Strictures imposed on the Company by Stock Exchange(s) or the Board or any Statutory Authority, on any matter related to Capital Markets, during the last three years.**

There was No Non-Compliance by the Company and no penalties or strictures were imposed on the Company by the Stock Exchanges or Securities and Exchange Board of India (SEBI), or any statutory authority on any matter related to the capital markets during the last three years.

III. **Disclosure of Vigil Mechanism/ Whistle Blower Policy and access to the Chairman of the Audit Committee**

Pursuant to Section 177(9) and (10) of the Companies Act, 2013, Regulation 22 of SEBI Listing Regulations, the Company has formulated Whistle Blower Policy for Vigil Mechanism for Directors and Employees to report to the Management about the unethical behavior, fraud or violation of Company's code of conduct. The same has been put up on the website of the Company on following web-link: http://www.valiantorganics.com/assets/investors/Whistle%20Blower%20Policy.pdf

The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for direct access to the Chairperson of the Audit Committee in exceptional cases. None of the people has been denied access to the Audit Committee.

IV. **The Company has complied with all the mandatory requirements under Listing Regulations.**

V. **Policy for determining 'material' subsidiaries**

To determine 'material subsidiary', the Company has adopted a 'Policy for Determining Material Subsidiary' and the same has been hosted on the website of the Company on the following web link; https://www.valiantorganics.com/assets/investors/Policy-for-Material-Subsidiary.pdf

VI. There were no instances during the financial year 2021-22 wherein the Board had not accepted recommendations made by any committee of the Board.

VII. Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditors and all entities in the network firm/network entity of which the statutory auditor is part during the Financial Year 2021-22.

Particulars	In ₹
Audit Fees	11,69,300
Certification Charges	3,17,000
Out of pocket expenses	14,300
Total	**15,00,600**

VIII. Disclosures in relation to Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013

Number of complaints filed during the financial year	Nil
Number of complaints disposed of during the financial year	Nil
Number of complaints pending as on end of the financial year	Nil

IX. Code of Insider Trading Regulations

With a view to regulate trading in securities by the directors and designated employees, the Company has adopted a code of Conduct to regulate, monitor and report trading by Insiders.

X. Details of utilization of funds raised through Qualified Institutions Placement

The Company has not raised funds through Preferential allotment or Qualified Institutions Placement as specified under Regulation 32(7A) of Listing Regulations.

XI. The disclosure of reasons for resignation of Independent Director

None of the Independent Directors of the Company have resigned before the expiry of their tenure. Thus, disclosure of detailed reasons for their resignation along with their confirmation that there are no material reasons, other than those provided by them is not applicable.

XII. Non-Compliance of any Requirement of Corporate Governance Report

The Company has complied with all the mandatory requirements specified in Regulation 17 to 27 and Clause (b) to (i) of sub-regulation (2) of Regulation 46 of Listing Regulations.

8. Discretionary Requirements

The status of compliance with discretionary requirements of Part E of schedule II of Listing Regulations with Stock Exchanges is provided below:

Sr. No.	Particulars	Remarks
1.	Non-Executive Chairman's Office	The Company has a Non-executive Independent Chairperson.
2.	Shareholders' Rights	As the quarterly and half-yearly financial performance are published in the newspapers and are also posted on the Company's website, the same are not being sent to the members.
3.	Audit Qualifications	The Auditors' Report on the Company's financial statement for the year 2021-22 is unmodified.
4.	Separate posts of Chairman and CEO	The Company has separate post of Chairperson and MD/CEO.
5.	Reporting of Internal Auditor	The Internal Auditor reports to Chairman & Managing Director and has direct access to the Audit Committee.

For and on behalf of the Board

Sd/-
Velji K. Gogri
Chairperson
(DIN: 02714758)

Place: Mumbai
Date: August 04,2022

Code of Conduct Declaration

In terms of Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and based on the affirmations provided by the Directors and Senior Management Personnel of the Company to whom Code of Conduct is made applicable, it is declared that the Board of Directors and the Senior Management Personnel have complied with the Code of Conduct for the year ended March 31, 2022.

For and on Behalf of the Board

Sd/-
Arvind K. Chheda
Managing Director
DIN: 00299741

Place: Mumbai
Date: August 04, 2022

Auditors' Certificate on Corporate Governance

To
The Members of Valiant Organics Limited
109, Udyog Kshetra,
1st Floor, Mulund Goregaon Link Road
Mulund West
Mumbai -400080

Dear Members,

Background:

We, Gokhale and Sathe, Chartered Accountants, being the Statutory Auditors of Valiant Organics Limited ("the Company") are issuing this certificate as required by the Company for annual submission to the Stock exchange and to be sent to the Shareholders of the Company. The Corporate Governance Report prepared by Valiant Organics Limited, contains details as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para-C and D of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the SEBI Listing Regulations") ('applicable criteria') with respect to Corporate Governance for the year ended 31 March 2022.

Management Responsibility:

The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, issued by the Securities and Exchange Board of India.

Auditor's Responsibility:

Our responsibility is to provide a reasonable assurance in the form of an opinion whether the Company has complied with the condition of Corporate Governance, as stipulated in the SEBI Listing Regulations.

We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued byICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC 1), Quality Control for Firms that Perform Audits and Review Historical Financial Information, and Other Assurance and Related Services Engagements. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. We have examined (a) the minutes of the meetings of the board of directors of the Company (the **"Board"**) and of committees of the Board, the annual general meetings of the shareholders of the Company; (b) declarations made by the Board under relevant statutory / regulatory requirements; (c) relevant statutory registers maintained by the Company; and (d) such other documents and records of the Company as deemed necessary, in connection with ascertaining compliance with the conditions of corporate governance by the Company, as prescribed under the, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "SEBI Listing Regulations").

The procedures also include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

Opinion:

Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, in our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the SEBI Listing Regulations, and the rules made thereunder, each as amended on Corporate Governance.

Restriction on use:

This Certificate is issued to the company solely for their consideration and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

Disclaimer:

Such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Yours faithfully,

For **Gokhale and Sathe**
Chartered Accountants
Firm Registration No: 103264W

Sd/-
Tejas Parikh
Partner
Membership: 123215
UDIN: 22123215AOUUGB8588

Place: Mumbai
Date: August 04,2022

Chief Executive Officer (CEO) and Chief Financial Officer (CFO) Certification

(Pursuant to Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

We hereby certify that:

A. We have reviewed Financial Statements and the cash flow statement for the Financial Year ended March 31, 2022 and to the best of our knowledge and belief:

   i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   ii. 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.

B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent or illegal or violative of the Company's code of conduct.

C. 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 and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

D. We have indicated to the Auditors and the Audit Committee:

   i. There have been no significant changes in the above-mentioned internal controls over financial reporting during the relevant period;

   ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements and

   iii. We have not noticed any significant fraud particularly those involving the management or an employee having a significant role in the Company's internal control system over Financial Reporting.

For Valiant Organics Limited

	Sd/-	Sd/-
	Arvind K. Chheda	**Mahek M. Chheda**
Place: Mumbai	Managing Director	Executive Director & Chief Financial Officer
Date: May 25, 2022	DIN: 00299741	DIN: 06763870

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,
Valiant Organics Limited
(CIN: L24230MH2005PLC151348)
109, Udyog Kshetra, 1st Floor,
Mulund Goregaon Link Road,
Mulund (W), Mumbai 400080

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Valiant Organics Limited** having CIN:L24230MH2005PLC151348 and having registered office at109, Udyog Kshetra, 1st Floor, Mulund Goregaon Link Road, Mulund (W), Mumbai 400080 (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) as considered necessary and explanations furnished to me by the Company and its officers, I hereby certify that none of the Directors on the Board of the Company as stated below **as on the Financial Year ended on 31st March, 2022** 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:

DIN/PAN	Name of Director	Designation	Begin date
00128389	MAHESH MATHURADAS SAVADIA	Wholetime Director	10/02/2018
00299741	ARVIND KANJI CHHEDA	Managing Director	16/02/2005
00345641	DINESHKUMAR SEVANTILAL SHAH	Wholetime Director	20/04/2019
00616848	BIJAL DILIPCHANDRA MODI	Wholetime Director	20/04/2019
01853463	DATTATRAY SIDRAM GALPALLI	Wholetime Director	06/07/2017
02107652	SATHIABABU KRISHNAN KALLADA	Director	23/11/2020
02714758	VELJI KARAMSHI GOGRI	Director	06/07/2017
03477593	VISHNU JOTIRAM SAWANT	Wholetime Director	06/04/2011
06763870	MAHEK CHHEDA MANOJ	Wholetime Director	06/07/2017
07474847	MULESH MANILAL SAVLA	Director	20/04/2019
07545244	JEENAL KENIL SAVLA	Director	01/07/2016
07552111	DHIRAJLAL DAMJI GALA	Director	01/07/2016

Ensuring the eligibility of 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 our 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.

CS Sunil M. Dedhia
Proprietor, Sunil M. Dedhia & Co.
Company Secretaries
FCS No: 3483 C.P. No. 2031
UDIN: F003483D000335485
Mumbai, Dated May 17, 2022

Business Responsibility Reporting

INDTRODUCTION

The Business Responsibility Report highlights the approach of the Company towards creating long-term value for all its stakeholders. The Report is aligned with National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business ('NVG-SEE') released by Ministry of Corporate Affairs ('MCA') and is in accordance with Regulation 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 [SEBI Listing Regulations]. This Report provides an overview of the activities carried out by the Company under each of the nine principles outlined in NVG-SEE.

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1	C Corporate Identity Number (CIN) of the Company	L24230MH2005PLC151348
2	Name of the Company:	VALIANT ORGANICS LIMITED
3	Registered Office Address	109, Udyog Kshetra 1st Floor, Mulund Goregaon Link Road Mulund west Mumbai-400080.
	Website	www.valiantorganics.com
	E-Mail id	investor@valiantorganics.com
4	Financial Year reported	2021-2022
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	Chemical 201
8	List three key products/services that the Company manufactures/ provides	Agro-chemical, Pharmaceutical, Dyes.
9	Total number of locations where business activity is undertaken by the Company a) Number of International Locations (Provide details of major 5) b) Number of National Locations	 Nil 6 Manufacturing Facilities at 5 Locations
10	Markets served by the Company Local/State/National/International	All local, State, National and International.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1	Paid up Capital (INR)	₹ 2755.90 Lakhs
2	Total Turnover (INR)	₹ 94,844.73 Lakhs
3	Total profit after taxes (INR)	₹ 10,293.82 Lakhs
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	Please refer the summary of CSR spending from Annexure 'A'- Annual report on Corporate Social Responsibility (CSR) Activities
5	List of activities in which expenditure in 4 above has been incurred:-	Please refer Annexure 'A'- Annual report on Corporate Social Responsibility (CSR) Activities.

SECTION C: OTHER DETAILS

1.	**Does the Company have any Subsidiary Company/ Companies?** The Company has 2 direct subsidiaries and 1 step down subsidiary in India as on March 31, 2022. 1) Valiant Speciality Chemical Limited 2) Dhanvallabh Ventures LLP 3) Valiant Laboratories Limited (Converted from Bharat Chemicals on August 16,2022) {Step-Down Subsidary}
2.	**Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)?** Business Responsibility initiatives of the parent company are applicable to subsidiary companies to the extent that they are material in relation to business activities of the subsidiaries.
3.	**Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]?** No

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR & BR Head

1	DIN Number (if applicable)	00299741	06763870
2	**Name**	**Arvind K. Chheda**	**Mahek M. Chheda**
3	Designation	Managing Director and BR head	Executive Director and Chief Financial Officer
4	Telephone number	022-67976683	022-67976683
5	E-Mail ID	investor@valiantorganics.com	investor@valiantorganics.com

2. Principle-wise (as per Non-Voluntary Guidelines) BR Policy/policies

a) Details of compliance (Reply in Y/ N)

Sr. No.	Questions	P1 Business Ethics	P2 Product Responsibility	P3 Employee Welfare	P4 Stakeholders Engagement	P5 Human Rights	P6 Safety Health and Environment	P7 Public Policy	P8 CSR	P9 Customer Centricity
1	Does your company have policy/policies for?	Yes, Companies code of conduct sets out the principles/practice that must be observed towards business partners and Third parties.								
2	**Has the policy being formulated in consultation with the relevant stakeholders?**	Yes, All the policies have been developed in consultation with the Management of the Company.								
3	Does the policy conform to any national/ international standards? If yes, specify?	Yes, Integrity, transparency and fairness are the cornerstones within the Company. The Company believes in benchmarking practices and global standards-to the best possible extent.								
4	Has the policy being approved by the board? If yes, has it been signed by MD/Owner /CEO/ appropriate Board Director	All statutory Policies and codes are adopted considering prevailing Legal requirements and approvals of respective body (Board of directors, its Committees and Company Management) Yes Policies are signed by the Managing Director.								

Sr. No.	Questions	P1 Business Ethics	P2 Product Responsibility	P3 Employee Welfare	P4 Stakeholders Engagement	P5 Human Rights	P6 Safety Health and Environment	P7 Public Policy	P8 CSR	P9 Customer Centricity
5	Does the company has a specified committee of the board/director/ official to oversee the implementation of the policy?	Implementation mechanism of all the policies and Codes is presented to and reviewed by the respective body periodically.								
6	Indicate the link for the policy to be viewed online?	https://www.valiantorganics.com/investors.php?action=showSubcat&id=9								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes, requisite awareness programs are carried out and communicated to all the stakeholders, which help them understand behavioural expectation from them. In critical areas such as Safety, advance trainings and workshops with specific focus have been conducted time to time.								
8	Does the company have in-house structure to implement the policy/ policies?									
9	Does the company have a grievance related to the policy/ policies to address the stakeholders' grievances related to the policy/ policies?	Yes, Company/vigil mechanism/whistle blower policy is an effective tool towards grievance redressal mechanism.								
10	Has the company carried out independent audit/evaluation of the working of this policy by and internal or external agency?	In addition to the Statutory Audits Certification, a periodical internal assessment is a part of our culture to oversee implementation of principles laid down.								

3. Governance related to BR

a. Indicate the frequency with which the Board of Directors, Committee of the board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, more than 1 year: **Annually**

b. Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently is it published?

VOL is publishing its Business Responsibility Report as a part of its annual report which is published annually. The Annual Report is available at www.valiantorganics.com under the section Investor Relations.

SECTION E: PRINCIPLE WISE PERFORMANCE

Principle 1: Ethics, Transparency and Accountability

Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

1. Does the policy relating to ethics, bribery and corruption cover only the Company? **No**

   Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others? **Yes**

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

The Company has adopted the Code of Conduct ('CoC' or 'Code') with the aim to follow and maintain the highest ethical and moral standards, in compliance with the applicable laws, and in a manner that excludes considerations of direct and indirect personal advantage/ gains.

The Code applies to every employee, Director and officer of the Company, suppliers, customers, contract staff, contractors and consultants who are working on behalf of / for the Company (through outsourcing of services, processes or any business activity), are required to act consistently in accordance with the CoC.

An effective vigil mechanism/whistle blower policy is in place to report to the management, instances of unethical behaviour and any violation of the Company's Code of Conduct. The Company has instituted a Committee to redress complaints received regarding sexual harassment. No complaint was received in FY 2021-22.

During the year no complaints of shareholders were received through SEBI Scores portal.

Principle 2: Sustainability

Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

The Company deals in goods, services and processes that are safe and contribute to sustainability throughout their lifecycle. The Company has constantly reduced its hazardous waste generation, improved on water conservation and energy consumption. We have also adopted new technologies to optimally use available natural resources to improve our environment footprint.

The Company practices 'safety first' for its employees and stakeholders in all its operations. In doing so, the Company maintains detailed, up-to-date programs covering Safety, Health, Environment, Fire, Security, Compliance, Hazards communication, and Emergency Preparedness, etc. The Company is actively committed to the continuous improvement in the standards of Safety and Health at the workplace.

- Product labelling
  The Company strives to provide customers with appropriate labelling and signage. The Company discloses all required information truthfully and factually including the risks to the individual. Where required, the Company also educates their customers on safe and responsible usage of their products including guidelines for product handling, storing at customers end, while the same is visibly placed on all product packaging.

- Sustainable sourcing
  The Company believes in and follows a Responsible Sourcing Policy with utmost focus on environmental and social aspects. Identification of a supplier is always on the basis of its long term capabilities, technological competencies, growth plan and commercial competitiveness.

The Company ensures the sustainability of resources by reducing, reusing, recycling and managing waste. It has embraced the "3-R" (Reduce, Reuse and Recycle) philosophy for all types of wastes leading to minimisation of air emissions, liquid effluents, solid wastes, in line with legal requirements and industry best practice.

Principle 3: Welfare of Employees

Businesses should promote the wellbeing of all employees

The Company works consistently to provide workplaces free of discrimination and harassment on the basis of gender, ethical background, religion, age, disability or sexual orientation. This diversity is promoted and respected without exception.

Every person is entitled to fair and respectful treatment. The Company is committed to a diverse working environment, in which each person's uniqueness is recognised and every individual is treated with courtesy, honesty, and dignity. Harassment, bullying or intimidation is not tolerated.

The Company ensures the compliance of employee related applicable statutes which guarantee the social security benefits, proper and safe working environment, wages, timely payment, bonus, leave benefits, working hours, breaks, maintaining hygiene, health, prohibition of child labour and respecting their fundamental and human rights.

The Company's policy prohibits engaging of any child labour or involuntary labour. There were no complaints relating to child labour, forced labour and involuntary labour during the year.

Principle 4: Stakeholders' Engagement

Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

The Company deals with all its stakeholders with fairness and integrity. The Company acknowledges its responsibility towards its stakeholders and is committed to engaging with all concerned stakeholders who are directly or indirectly affected by the business processes and decisions. The Company endeavours to understand their concerns, defines purpose and scope of engagement, commits to engaging with them and resolves differences with stakeholders in a just, fair and equitable manner. The Company acknowledges and assumes responsibility by being transparent about the impact of its policies, decisions, product & services and associated operations on the stakeholders

Principle 5: Human Rights

Businesses should respect and promote human rights

Respect for human rights is an integral part of our corporate responsibility. The Company respects the dignity and individual rights of every employee and colleague as well as third parties associated with its business. The Company ensures that human rights enshrined in the Constitution of India and the International law on Human rights is not violated across its operations. The Company ensures that all individuals impacted by the business have access to grievance mechanisms. No such complaints were received during the period under review.

Principle 6: Environment, Health and Safety

The Company strives to benchmark its environment, health and safety to international standards to ensure utmost people-centricity. Under health and safety, the Company has undertaken proactive measures in protecting the health and safety of its employees and contractual workers, such as sanitisation of the offices and manufacturing facilities on a periodic basis, thermal screening, ensuring social distancing and wearing of masks and PPE kits. Further, the Company also inculcates safety training to its employees and contractual workers, and undertakes necessary safety management procedures, which makes it OHSAS 18001:2007-certified.

Further, as a sustainability focus, the Company strives to ensure minimal to zero discharge of pollutants from its manufacturing facilities. The seriousness of our focus on sustainability is validated by the fact that 4 of our manufacturing facilities are Zero Liquid Discharge units. Further, the Company also understands the need of reducing the use of conventional energy in the process. In doing so, the Company has focused on converting high-pressure steam from manufacturing processes to power the plants, which has also helped in cost savings.

Principle 7: Policy Advocacy Businesses

The Company is a member of various trade chambers and associations which provide a platform to get actively involved in trade promotion, technology up-gradation, quality enhancement and collection and dissemination of information pertaining to regulatory reforms, its impact, industry's growth and development.

The membership aspires to identify opportunities to bolster domestic manufacturing, foster innovation, enhancing skill development, protecting intellectual property and building best in class manufacturing infrastructure in the country.

The Company utilises the following trade and industry chambers and associations to undertake policy advocacy.

- CHEMEXCIL – Basic Chemicals, Pharmaceuticals & Cosmetics Export Promotion Council
- The Gujarat Dyestuffs Manufacturers Association
- The Gujarat Chamber of Commerce and Industry
- Saykha Industries Association & Saykha CETP
- Bharuch Industry Association
- Jhagadia Industry Association
- Vapi Industrial Association
- Tarapur Industrial Manufacturers Association (TIMA) Maharashtra

Principle 8: Inclusive Growth and Equitable Development

Businesses should support inclusive growth and equitable development

As part of fulfilling its responsibility as a corporate citizen, the Company is committed to operate business in an economically, socially & environmentally sustainable manner. We endeavour to reach out to different sections of the society, with socially relevant projects that benefit these communities and enhance the quality of their lives.

We aim to constantly identify and implement unique initiatives which are scalable and sustainable and which have the capacity to create a positive impact on the lives of people –especially the weaker and underserved sections. By contributing to the development of health, science and culture, we wish to further all-round progress.

Principle 9: Customer Centricity

Businesses should engage with and provide value to their customers and consumers in a responsible manner.

The Company's manner of conducting business is based on fairness, mutual respect, and integrity. Taking into account ecological and social criteria along the entire value chain and reducing the consumption of resources are firmly anchored in the Company's corporate principles. Our mission is to become a customer-driven Company by providing customised solutions and services to meet changing customer requirements, use the best, cost-effective manufacturing methods supported by proven, eco-friendly and safe technologies and to encourage and nurture an inclusive organisational culture. Our customers include end-user industries to which we supply our products. We regularly interact with the customers to understand their needs. The areas of focus identified during the engagement are quality and timely delivery of the products and technical support during product application.

The Company strives to always deliver the highest quality to its customers, while maintaining cost efficiency and reliability of supply. Modern quality management techniques and integrated planning across the entire supply chain ensure that all of these requirements are being met. Commitment to quality and innovation coupled with sophisticated technological expertise and an in-depth understanding of systems, are key to our success.

For and on behalf of the Board

Sd/-
Arvind K. Chheda
Managing Director
DIN: 00299741

Place: Mumbai
Date: August 04, 2022

INDEPENDENT AUDITOR'S REPORT

To the Members of
Valiant Organics Limited

Report on the Audit of the Standalone Financial Statements

OPINION

We have audited the accompanying Standalone Financial Statements of Valiant Organics Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information (herein after referred to as 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 from time to time and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

BASIS OF OPINION

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, 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.

Key Audit Matters	Auditor's Response
Valuation, Accuracy, Completeness, and disclosures pertaining to Inventories with reference to Ind AS 2. The Company's inventories consists of raw materials and components, work in progress, finished goods, stores and spares. Refer Note no: 11 of the standalone financial statements: Inventories of ₹ 9,734.37 lakhs constitute 24.09% of the current assets of the company as at 31 March 2022. Correctness, completeness, and valuation are critical for reflecting true and fair financial results of operations and hence identified as key audit matter.	Our audit approach consisted of the following: - • We assessed the Company's process regarding maintenance of records, valuation and accounting of transactions relating to inventories as per the Indian Accounting Standard. • We have evaluated the design of internal controls relating to recording and valuation of Inventory. • We have carried out substantive audit procedures at financial and assertion level to verify the allocation of overheads to inventory. • We have undertaken physical verification of inventories on test check basis. • We have verified management process of physical verification of inventories and reconciling differences with the books of accounts.

INFORMATION OTHER THAN FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Board of Directors of the Company is responsible for the other information. The other information comprises the information included in the Annual Report, 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 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.

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

The Board of Directors of the Company 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 including other comprehensive income, cash flows and changes in equity of the Company in accordance with the 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 judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 Management is responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF 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 the 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 judgement 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls 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 the Management.
- Conclude on the appropriateness of use of the going concern basis of accounting by the Management and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to

continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the 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 Standalone 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 Standalone 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 in terms of Section 143(11) of the Act, we give in 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 purpose of our audit.

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

   c. The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

   d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.

   e. On the basis of the written representations received from the directors as on 31 March 2022, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022, from being appointed as a director in terms of section 164(2) of the Act.

   f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting of the Company.

   g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its Directors during the year is in accordance with the provisions of Section 197 of the Act.

h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

(i) The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements. (Refer Note no 34 to the Standalone financial statements).

(ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

(iii) There 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, as disclosed in Note no 39 (d) (i) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person 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 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, as disclosed in Note no. 39 (d) (ii) to the standalone financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ("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; and

(c) Based on such 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 (a) and (b) above contain any material misstatement.

(v) The Company has not paid any dividend during the year. As per note no 17 (F), The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

For Gokhale & Sathe
Chartered Accountants
Firm Registration Number: 103264W

Tejas Parikh
Partner
Membership Number: 123215
UDIN: 22123215AJSZBQ7972

Place: Mumbai
Date: 25 May 2022

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON STANDALONE FINANCIAL STATEMENTS

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

(i) In respect of the Company's Property Plant and Equipment and Intangible Assets:

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and Capital Work in Progress.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a regular program of verification of Property, Plant and Equipment so to cover all the items in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. No material discrepancies were noticed on such verification which were not properly dealt with in the books of accounts in the current year.

(c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds / registered sale deeds provided to us, we report that, the title deeds of self-constructed buildings and title deeds of all immovable properties (other than properties where the Company is lessee and lease agreements are duly executed in favour of the Company), disclosed in the financial statements included under Property Plant and Equipment are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land that have been taken on lease and disclosed separately in Property Plant & Equipment in the financial statements, the lease agreements are in the name of the Company except the below:

Description of Property	Gross Carrying Value (₹ in lakhs)	Held in the name of	Whether promoter, director or their relative or employee	Period held (since)	Reason for not being held in the name of company also indicate if in dispute and period for which it has been held
Factory land Plot No. 231 to 236 VATVA (these are survey numbers) - Plot Nos. 228 to 239	16.84	Dispo Dyechem Private Limited	No	October 2018	Properties were acquired through amalgamation/merger, the name change in the name of the Company is pending.
Land (Sayakha) - Plot No. 540 & 541 & DP/90/21	1568.59	Amarjyot Chemical Limited	No	October 2018	
Land - Plot No. A1/322-11, Vapi Industrial Area.	57.44	Amarjyot Chemical Limited	No	October 2018	
Plot No C-1 + 2/B, GIDC Estate, DAHEJ, Tal. Vagra, Dist. Bharuch, Gujarat.	300.00	Aarti Industries Limited	No	August 2019	Application is already filed for change in title of the property.

(d) The Company has not revalued its Property, Plant and Equipment or intangible assets during the year ended 31 March 2022.

(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) Physical verification of inventory has been conducted at reasonable intervals by the management and in our opinion, the coverage and procedure of such verification by the management is appropriate. Discrepancies noticed were less than 10% for each class of inventory.

(b) During the year, the Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, from banks on the basis of security of current assets. As mentioned in note no. 19(4) to the Standalone Financial Statements, the difference between the quarterly returns filed by the Company with banks and books of accounts are on account of explainable items and not material in nature.

(iii) The Company made investments in subsidiary and the said investments,, primafacie, are not prejudicial to the Company's interest.

The Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year, and hence sub-clauses 3 (iii) (a), (d), (e), (f) of the Order are not applicable.

(iv) The Company has not provided any loans or advances or made investments, provided guarantees and securities and hence compliance with provisions of section 185 and 186 of the Act is not applicable.

(v) The Company has not accepted deposits or amounts which are deemed to be deposits from the public during the year and hence the directives issued by the Reserve Bank of India and the provision of section 73 to 76 any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regards to the deposits accepted from the public are not applicable.

(vi) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) In respect of statutory dues:

(a) Based on examination of records of the Company, amount deducted/accrued in the books of accounts in respect of undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues applicable to the Company have been regularly deposited by it with the appropriate authorities during the year. There were no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.

(b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on 31 March 2022 on account of disputes are given below:

Name of Statute	Nature of Dues	unpaid amount (₹ in lakhs)	period to which the amount relates	Forum where dispute is pending
GST Act	GST (Interest and Penalty)	111.98	FY 2017-18	Assistant Commissioner
GST Act	GST(Input Credit)	19.35	FY 2019-20	Superintendent
Income Tax Act	Income Tax	2551.94	AY 2014 to 2019 & 2020	Commissioner of Income-tax (Appeals)
Stamp Duty	Stamp Duty (Interest and Penalty)	199.87	FY 2020-21	The Chief Controlling Revenue Authority, Inspector General of Registration and Controller of Stamps
Employees State Insurance Act, 1948	ESIC	3.46	FY 2017-2019	Recovery Department – Assistant Officer
The Environment (Protection) Act 1986	Penalty	3.50	FY 2021-22	Gujarat Pollution Control Board

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 during the year.

(ix) (a) According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion, and according to the information and explanations given to us, the term loans have been applied, on an overall basis, for the purposes for which they were obtained.

(d) 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 explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries.

(x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) To the best of our knowledge, no report under Sub-section (12) of Section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.

(c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year and up to the date of this report.

(xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.

(xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable Indian accounting standards.

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

(b) We have considered, the internal audit reports 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) In our opinion, during the year, the Company has not entered into any non-cash transactions with any of its directors or persons connected with such directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

(b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank)

Directions, 2016) and accordingly reporting under 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.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there is no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of Sub-section (6) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

(xxi) The reporting under Clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

For Gokhale & Sathe
Chartered Accountants
Firm Registration Number: 103264W

Tejas Parikh
Partner
Membership Number: 123215
UDIN: 22123215AJSZBQ7972

Place: Mumbai
Date: 25 May 2022

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT ON STANDALONE FINANCIAL STATEMENTS

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report 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 over financial reporting of Valiant Organics Limited ("the Company") as on 31 March 2022, 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 Management of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting 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 the policies of the Company, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the internal financial controls of the Company over financial reporting based on our audit. We conducted our audit. We conducted 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 Companies Act, 2013, 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 over financial reporting were 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 control system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A Company's internal financial control with reference to Standalone 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 Standalone Financial Statements include 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 Standalone 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 Standalone Financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

For Gokhale & Sathe
Chartered Accountants
Firm Registration Number: 103264W

Tejas Parikh
Partner
Membership Number: 123215
UDIN: 22123215AJSZBQ7972

Place: Mumbai
Date: 25 May 2022

Standalone Balance Sheet as at March 31, 2022

(₹ in Lakhs)

Particulars	Notes	March 31, 2022	March 31, 2021
I. ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	4	50,848.91	47,712.85
(b) Capital work-in-progress	4	11,016.27	4,589.10
(c) Right of Use assets	5	38.65	42.97
(d) Goodwill	6	-	-
(e) Other Intangible Assets	7	0.18	1.49
(f) Financial Assets			
(i) Investment in Subsidiaries	8A	5,010.44	3,949.15
(ii) Other Investments	8B	324.54	233.70
(iii) Other Financial Assets	9A	521.64	523.87
(g) Other non-current assets	10A	113.71	931.32
Total Non-Current Assets		**67,874.34**	**57,984.45**
Current assets			
(a) Inventories	11	9,734.37	6,602.55
(b) Financial Assets			
(i) Investments	8C	13.82	14.02
(ii) Trade Receivables	12	25,316.27	11,661.41
(iii) Cash and Cash Equivalents	13	2,296.58	863.00
(iv) Other Balances with Banks	14	33.55	315.09
(v) Loans	15	46.45	45.33
(vi) Other Financial Assets	9B	32.20	21.53
(c) Other Current Assets	10B	2,165.40	2,569.83
(d) Current Tax Assets (Net)	16	775.01	480.34
Total Current Assets		**40,413.66**	**22,573.11**
TOTAL ASSETS		**1,08,288.00**	**80,557.56**
II. EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	17	2,715.35	2,715.35
(b) Optionally Convertible Preference Shares	17	40.56	40.56
(c) Other Equity	18	57,557.15	47,473.97
Total Equity		**60,313.06**	**50,229.87**
LIABILITIES			
Non-Current Liabilities			
(a) Financial Liabilities			
- Borrowings	19A	9,397.35	7,471.42
- Lease Liabilities	20A	21.83	17.72
(b) Provisions	21A	105.19	151.52
(c) Deferred Tax Liabilities (net)	22	2,626.57	1,974.51
Total non-current liabilities		**12,150.94**	**9,615.16**
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	19B	21,097.02	7,366.07
(ii) Lease Liabilities	20B	19.15	28.34
(iii) Trade Payables	23		
A) Total Outstanding Dues of Micro enterprises and Small Enterprises; and		85.11	132.32
B) Total Outstanding dues of Creditors other than Micro enterprises and small enterprises		12,620.80	10,286.35
(iv) Other Financial Liabilities	24	1,537.45	2,439.31
(b) Other Current Liabilities	25	219.90	195.85
(c) Provisions	21B	244.57	264.28
Total Current Liabilities		**35,824.01**	**20,712.53**
TOTAL EQUITY AND LIABILITIES		**1,08,288.00**	**80,557.56**
Notes forming part of the financial statements	1-41		

The accompanying notes are an integral part of the Ind AS financial statements.

Previous year figures have been recasted/restated wherever necessary including those as required in keeping with revised Schedule III amendments.

As per our report of even date.

For Gokhale & Sathe
Chartered Accountants
Firm Regn No.103264W

For and on behalf of the Board of Directors

Tejas Parikh
Partner
M. No. 123215

Mr. Arvind Chheda
Managing Director
DIN: 00299741

Mr. Mahek Chheda
Executive Director & CFO
DIN: 06763870

Avani D. Lakhani
Company Secretary
ICSI M. No. A47118

Place : Mumbai
Date - 25th May, 2022

Standalone Statement of profit and loss for the year ended March 31, 2022

(₹ in Lakhs except EPS)

Particulars	Notes	For the year ended March 31, 2022	For the year ended March 31, 2021
I. Revenue from operations	26	94,844.73	57,423.86
II. Other Income	27	556.13	1,689.95
III. Total Revenue (I + II)		**95,400.86**	**59,113.81**
IV. Expenses			
Cost of materials consumed	28A	62,851.47	28,610.99
Purchases of stock-in-trade	28B	1,708.65	1,539.45
Changes in inventories of finished goods, stock in trade and work-in-progress	28C	(2,041.88)	(970.40)
Employee benefits expenses	29	3,407.30	2,668.04
Finance costs	30	635.38	348.63
Depreciation, Amortization and Impairment Expenses	31	2,729.44	1,863.24
Other expenses	32	12,415.53	9,849.55
V. Total Expenses		**81,705.89**	**43,909.51**
VI. Profit before tax (III - IV)		**13,694.97**	**15,204.30**
VII. Tax expense:	22		
Current tax		2,840.00	3,080.00
Adjustment of tax relating to earlier periods		(78.60)	-
Deferred tax charge/(credit)		639.75	665.12
Total Tax Expense		**3,401.15**	**3,745.12**
VIII. Profit for the year (V - VI)		**10,293.82**	**11,459.18**
IX. Other comprehensive income:			
Items that will not be reclassified to profit or loss in subsequent year			
Re-measurement of the net defined benefit plan (net of taxes)		(7.06)	(44.36)
Fair value changes of various Financial intruments (net of taxes)		78.94	738.69
X. Other comprehensive income for the year [net of tax]		**71.88**	**694.33**
XI. Total comprehensive income for the year [net of tax] (VII + VIII)		**10,365.71**	**12,153.51**
Earnings per equity share of ₹ 10/- each (PY: ₹ 10/- each)	33		
(1) Basic (in ₹)		37.91	44.69
(2) Diluted (in ₹)		36.81	40.98
Notes forming part of the financial statements	1-41		

The accompanying notes are an integral part of the Ind AS financial statements.

Previous year figures have been recasted/restated wherever necessary including those as required in keeping with revised Schedule III amendments.

As per our report of even date.

For Gokhale & Sathe
Chartered Accountants
Firm Regn No.103264W

For and on behalf of the Board of Directors

Tejas Parikh
Partner
M. No. 123215

Mr. Arvind Chheda
Managing Director
DIN: 00299741

Mr. Mahek Chheda
Executive Director & CFO
DIN: 06763870

Avani D. Lakhani
Company Secretary
ICSI M. No. A47118

Place : Mumbai
Date - 25th May, 2022

Statement of Changes in Equity for the year ended March 31, 2022

A. Equity Share Capital

Current Reporting Period (₹ in lakh)

Particulars	Balance as on April 1, 2021	Changes in equity share capital during the period	Balance as on 31-03-2022
Ordinary Equity Shares	2,715.35	-	2,715.35
Optionally Convertible Equity Shares (Instruments entirely equity in nature)	40.56	-	40.56
Total	**2,755.90**	**-**	**2,755.90**

Previous Reporting Period (₹ in lakh)

Particulars	Balance as on April 1, 2020	Changes in equity share capital during the period	Balance as on 31-03-2021
Ordinary Equity Shares	1,214.92	1,500.43	2,715.35
Optionally Convertible Equity Shares (Instruments entirely equity in nature)	183.31	(142.75)	40.56
Total	**1,398.23**	**1,357.67**	**2,755.90**

Footnote: Pursuant to the scheme of arrangement with Amarjyot Chemical Limited, OCPS was supposed to be converted into equity shares or into Redeemable Preference Shares (RPS) before February 2022. However, on obtaining consent from OCPS shareholders for conversion into equity shares, the Company filed application on November 23, 2021. Pending formal approval from the regulator, the Board of Directors has approved extension in timeline for such conversion in its meeting held on 30 April 2022.

Statement of Changes in Equity for the year ended March 31, 2022

B. Other Equity

(₹ in lakh)

Particulars	Reserve and surplus				Equity instruments through Other Comprehensive Income	Total other equity
	Capital Reserve	Capital Redemption Reserve	General Reserve	Retained earnings		
Balance as at 01st April 2020	**7,846.30**		**2,764.97**	**23,611.25**	**3,135.82**	**37,358.33**
Changes in opening balances pursuant to application of Ind AS				-	-	-
Opening Balance as at 01st April 2020	**7,846.30**		**2,764.97**	**23,611.25**	**3,135.82**	**37,358.33**
Net profit for the year	-		-	11,459.18	-	11,459.18
Fair value changes of various Financial intruments (net off tax)	-		-	-	738.69	738.69
Remeasurement Gain/(Loss) on defined benefit plan (net of tax)	-		-	(44.36)	-	(44.36)
Transfers from Retained earnings to General reserves	-		1,145.92	(1,145.92)	-	-
Bonus Issue during the year	-		-	(678.84)	-	(678.84)
Other Expenses				3,660.99	(3,660.99)	-
Amount utilized for Dividend and Dividend Distribution Tax				(1.36)		(1.36)
Transfer to retained earnings on disposal of FVOCI equity instruments				(1,357.67)		(1,357.67)
Balance as at 31st March 2021	**7,846.30**	**-**	**3,910.88**	**35,503.27**	**213.52**	**47,473.97**
Net profit for the year	-		-	10,293.82	-	10,293.82
Transfers from Retained Earnings to Capital Redemption Reserve		38.40		(38.40)		-
Fair value changes of various Financial intruments (net off tax)	-		-		78.94	78.94
Remeasurement Gain / (Loss) on defined benefit plan (net off tax)	-		-	(7.06)	-	(7.06)
Stamp Duty paid on Equity share	-		-	(282.51)	-	(282.51)
Balance as at 31st March, 2022	**7,846.30**	**38.40**	**3,910.88**	**45,469.12**	**292.46**	**57,557.15**

1. The accompanying notes are an integral part of the Ind AS financial statements.
2. Previous year figures have been recasted/restated wherever necessary including those as required in keeping with revised Schedule III amendments.
3. Retained Earnings include Remeasurement Loss (net of tax) on Defined Benefit Plans to the extent of ₹ 69.81 Lakhs (PY ₹ 76.87 Lakhs).

C. Notes forming part of the financial statements [Note No. 1 - 41]

As per our report of even date.
For Gokhale & Sathe
Chartered Accountants
Firm Regn No.103264W

Tejas Parikh
Partner
M. No. 123215

Place : Mumbai
Date - 25th May, 2022

For and on behalf of the Board of Directors

Mr. Arvind Chheda
Managing Director
DIN: 00299741

Mr. Mahek Chheda
Executive Director & CFO
DIN: 06763870

Avani D. Lakhani
Company Secretary
ICSI M. No. A47118

Standalone Statement of Cash Flows for the year ended March 31, 2022

(₹ in lakh)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(A) Cash Flow from Operating Activities		
Profit Before Tax	**13,694.97**	**15,204.30**
Adjustments for:		
Finance Costs	635.38	348.63
Depreciation, Amortization and Impairment Expenses	2,729.44	1,863.24
Unrealised foreign exchange (gain) / loss (net)	121.31	14.21
Interest Income	(12.20)	(31.15)
Dividend Income	(1.08)	(3.34)
Gain/(Loss) on disposal of Property, Plant and Equipment	-	(0.26)
Profit on Investment in Subsidiary	(225.34)	(1,495.06)
Operating Profit Before Working Capital Changes	**16,942.49**	**15,900.57**
Changes in Working Capital		
Adjustments for (increase) / decrease in operating assets:		
(Increase)/Decrease in Trade Receivables	(13,602.96)	(595.78)
(Increase)/Decrease in Inventories	(3,131.83)	(2,509.81)
(Increase)/Decrease Loans	1.10	15.49
(Increase)/Decrease Other Current Assets	404.43	(378.16)
(Increase)/Decrease Other non-Current Assets	(305.34)	(40.79)
Adjustments for increase / (decrease) in operating liabilities:		
Increase/(Decrease) in Trade Payable	2,287.24	2,020.77
Increase/(Decrease) in Provisions	(71.15)	196.03
Increase/(Decrease) in Other Current Liabilities	22.72	34.39
Increase/(Decrease) in Financial Liabilities	(901.85)	84.49
Cash Generated from Operations	**1,644.85**	**14,727.19**
Income Taxes Paid (net of refunds)	(2,761.40)	(3,270.00)
Net Cash Flow from Operating Activities (A)	**(1,116.55)**	**11,457.19**
(B) Cash Flow From Investing Activities		
Purchase of Property, Plant and Equipment	(11,469.44)	(15,125.98)
(including capital advances and capital work-in-progress)		
Proceeds from disposal of Property, Plant and Equipment	-	3.07
Gain/(Loss) on disposal of Property, Plant and Equipment	-	0.26
Investment in Fixed Deposits	281.54	(12.27)
Interest Income	12.20	31.15
Proceeds from disposal of investments	-	2,562.70
Investment in Subsidiary	(835.94)	(1,000.00)
Dividend Income	1.08	3.34
Net Cash Flow from Investing Activities (B)	**(12,010.56)**	**(13,537.73)**
(C) Cash Flow From Financing Activities		
Proceeds / (Repayment) of Short Term Borrowings	10,261.75	2,877.14
Proceeds/(Repayment) of Long Term Borrowings	5,221.92	323.04
Payment for Lease Liability	(5.08)	16.14
Payment of Dividend & Tax thereon	-	(678.84)
Interest Paid	(635.38)	(348.63)
Stamp Duty paid on Equity	(282.51)	-
Net Cash Flow from Financing Activities (C)	**14,560.69**	**2,188.85**
Net Increase in Cash and Cash Equivalents (A+B+C)	1,433.58	108.31
Opening Balance of Cash and Cash Equivalents	863.00	754.69
Closing Balance of Cash and Cash Equivalents	**2,296.58**	**863.00**
Notes forming part of the financial statements [Note No. 1 - 41]		

1. The accompanying notes are an integral part of the Ind AS financial statements.
2. Previous year figures have been recasted/restated wherever necessary including those as required in keeping with revised Schedule III amendments.

Standalone Statement of Cash Flows for the year ended March 31, 2022

3. Figures in brackets indicate cash outgo.
4. The above Statement of Cash Flows has been prepared under "Indirect Method" set out in Ind AS 7 Statement of Cash Flows.
5. Cash flows from operating activities include ₹ 337.23 lakhs (March 31, 2021: ₹ 280.38 lakhs) being expenses towards Corporate Social Responsibility initiatives.

6. Cash and Cash Equivalents comprises of:

(₹ in lakh)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
a. Cash on Hand	3.78	1.98
b. Balances with Banks	2,292.80	861.02
Total	**2,296.58**	**863.00**

7. Changes in liabilities arising from financing activities

Particulars	As at 1st April 2021	Cash Flows	Non-Cash Flow Changes			As at 31st March 2022
			Net Addition	Forex Loss/(Gain)	Current/ Non-current classification	
Non-current Financial Liabilities						
- Borrowings	7,471.42	5,341.64	-	53.49	(3,469.20)	9,397.35
- Lease Liabilities	17.72	-	25.38	-	(21.26)	21.83
Current Financial Liabilities						
- Borrowings	7,366.07	10,261.75	-	-	3,469.20	21,097.02
- Lease Liabilities	28.34	(30.46)	-	-	21.26	19.15

As per our report of even date.
For Gokhale & Sathe
Chartered Accountants
Firm Regn No.103264W

Tejas Parikh
Partner
M. No. 123215

Place : Mumbai
Date - 25th May, 2022

For and on behalf of the Board of Directors

Mr. Arvind Chheda
Managing Director
DIN: 00299741

Mr. Mahek Chheda
Executive Director & CFO
DIN: 06763870

Avani D. Lakhani
Company Secretary
ICSI M. No. A47118

Notes to the Standalone Financial Statements for the year ended March 31, 2022

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

1. CORPORATE INFORMATION

Valiant Organics Limited ("VOL" or "the Company") is a public limited company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). The registered office of the company is located 109, Udyog Kshetra, 1st Floor, Mulund Goregaon Link Road, Mulund (W), Mumbai.

The Company is engaged in manufacturing and dealing in specialty chemicals and pharma intermediates in India and abroad.

2. SUMMARY OF BASIS OF COMPLIANCE, BASIS OF PREPARATION AND PRESENTATION, AND CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGMENTS

2.1 Basis of Compliance

The company's financial statements have been prepared in accordance with the provisions of the Companies Act, 2013 and the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 issued by Ministry of Corporate Affairs in respect of Section 133 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter. In addition, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied except if compliance with other statutory promulgations require a different treatment.

These financial statements have been approved by the Board of Directors at their meeting held on 25th May, 2022.

2.2 Basis of Preparation and Presentation of Financial Statements

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 ("the Act"). The statement of cash flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash flows".

The disclosure requirements with respect to items in the Balance Sheet and the Statement of Profit and Loss, as prescribed in Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Ind AS and in accordance with guidelines issued by the Securities and Exchange Board of India ("SEBI").

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities:

(i) Certain financial instruments measured at fair value (refer accounting policy regarding financial instruments); and

(ii) Employees' Defined Benefit Plan as per actuarial valuation.

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 under current market conditions, regardless of whether that price is directly observable or estimated using another valuation technique.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle. Based on the status of realisability and expected settlement in cash and cash equivalents of the respective assets and liabilities and other criteria set out in the Schedule III to the Companies Act 2013, the Company has ascertained its operating cycle as up to twelve months for the purpose of current/non-current classification of assets and liabilities.

Functional & Presentation Currency:

The financial statements are presented in Indian Rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates. All values in the financial statements are rounded off to the nearest rupees in lakhs except otherwise indicated.

2.3 Critical Accounting Estimates, Assumptions and Judgments:

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates, assumptions and judgments that affect the reported balances of assets and liabilities, disclosures of contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented along with the accompanying disclosures.

Notes to the Standalone Financial Statements for the year ended March 31, 2022

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates considering different assumptions and conditions. Estimates and underlying assumptions are reviewed on an ongoing basis. Impact on account of revisions to accounting estimates are recognised in the period in which the estimates are revised, and future periods are affected.

The following are the critical estimates, assumptions and judgments that the management has made in the process of applying the Company's accounting policies and that have a significant effect on the amounts recognized in the financial statements:

2.3.i. Provision for Income Tax and Deferred Tax Assets:

The Company uses estimates and judgements based on the relevant rulings in the areas of revenue, costs, allowances and disallowances which is exercised while determining the provision for income tax. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. Accordingly, the Company exercises its judgement to reassess the carrying amount of deferred tax asset at the end of each reporting period.

2.3.ii. Useful Lives of Property, Plant and Equipment ("PPE"):

Property, plant and equipment represents a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the Management at the time the asset is acquired and reviewed periodically at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

2.3.iii. Defined Benefit Plans (Gratuity):

A liability in respect of defined benefit plans is recognised in the balance sheet and is measured as the present value of the defined benefit obligation at the reporting date less the fair value of the plan's assets and is 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 highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

2.3.iv. Provisions and Contingent Liabilities:

The Company estimates the provisions that have present obligations as a result of past events, and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates. The Company uses significant judgements to disclose contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

2.3.v. Provision against Obsolete and Slow-Moving Inventories:

The Company reviews the condition of its inventories and makes provision against obsolete and slow-moving inventory items which are identified as no longer suitable for sale or use at each balance sheet date. Company estimates the net realisable value for such inventories based primarily on the latest invoice prices and current market conditions.

2.3.vi. Fair Value Measurement of Financial Instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as market risk, liquidity risk and credit risk.

Notes to the Standalone Financial Statements for the year ended March 31, 2022

2.3.vii. Allowance for Credit Losses on Receivables

The Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considers current and anticipated future economic conditions relating to industries the Company deals with and the countries where it operates.

2.3.viii. 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. 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 other available fair value indicators.

2.3.ix. Leases:

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. The Company uses significant judgment in assessing the lease term and the applicable discount rate.

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any option to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to the Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the Company has concluded that no changes are required to lease period relating to the existing lease contracts.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Classification of Current versus Non-Current:

All assets and liabilities in the financial statements have been classified as current or non-current as per the Company's normal operating cycle of up to twelve months.

For the purpose of Balance Sheet, an asset is classified as current if:

(i) It is expected to be realised, or is intended to be sold or consumed, in the normal operating cycle; or

(ii) It is held primarily for the purpose of trading; or

(iii) It is expected to realise the asset within twelve months after the reporting period; or

(iv) The asset is a cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

Similarly, a liability is classified as current if:

(i) It is expected to be settled in the normal operating cycle; or

(ii) It is held primarily for the purpose of trading; or

(iii) It is due to be settled within twelve months after the reporting period; or

Notes to the Standalone Financial Statements for the year ended March 31, 2022

(iv) The Company does not have an unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could result in its settlement by the issue of equity instruments at the option of the counterparty does not affect this classification.

All other liabilities are classified as non-current.

3.2 Property, Plant and Equipment (PPE)

PPE is recognised when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The initial cost of PPE comprises its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use less accumulated depreciation and accumulated impairment losses, if any. Cost includes professional fees related to the acquisition of PPE and for qualifying assets, borrowing costs are capitalised in accordance with the company's accounting policy.

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 item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the Statement of Profit and Loss during the period in which they were incurred.

Long term lease arrangements of land are treated as PPE, in case such arrangements result in transfer of control and the present value of the lease payments is likely to represent substantially all of the fair value of the land.

An item of PPE and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal.. Gains or losses arising from de-recognition of a PPE 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.

Depreciation methods, estimated useful lives and residual value:

Depreciation is the systematic allocation of the depreciable amount of PPE over its useful life and is provided using straight line method, so as to write-off the cost of the assets (other than freehold land and capital work-in-progress) less their residual values over their useful lives specified in Schedule II to the Companies Act, 2013, or in the case of assets where the useful life was determined by technical evaluation, over the useful life so determined. Depreciation method is reviewed at each financial year end to reflect the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful life and residual values are also reviewed at each financial year end and the effect of any change in the estimates of useful life/residual value is accounted on prospective basis. Depreciation on additions/ disposals is provided on a pro-rata basis i.e. from/ upto the date on which asset is ready for use/ disposed.

The Company uses different useful lives than those prescribed in Schedule II to the Act for some of the assets. The useful lives have been assessed based on technical advice, taking into account the nature of the PPE and the estimated usage of the asset on the basis of management's best estimation of obtaining economic benefits from those classes of assets. The estimated useful life is reviewed periodically, with the effect of any changes in estimate being accounted for on a prospective basis.

The company has used the following useful lives to provide depreciation on the following assets:

Particulars	Depreciation
Factory Building	Over a period of 30 years
Plant & Machinery	Over its useful life as technically assessed, i.e over a period of 19 years
Vehicle	Over a period of 10 years
Computers	Over a period of 3 years
Furniture and Fixtures	Over a period of 10 years
Office Equipment	Over a period of 5 years
Leasehold Land	Over the tenure of lease

Notes to the Standalone Financial Statements for the year ended March 31, 2022

3.3 Capital Work-in-Progress

Capital Work-in-Progress represents expenditure incurred on capital assets that are under construction or are pending capitalisation and includes project expenses pending allocation. The same is carried at cost, comprising of direct costs, related incidental expenses and attributable borrowing costs. Project expenses pending allocation are apportioned to the PPE of the project proportionately on capitalisation.

3.4 Intangible assets

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the assets will flow to the company and cost of the assets can be measured reliably.

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 cumulative impairment losses. Administrative and other general overhead expenses that are specifically attributable to acquisition of intangible assets are allocated and capitalised as a part of the cost of the intangible assets.

Internally generated intangibles, excluding capitalised development cost, are not capitalised and the related expenditure is charged to the statement of profit and loss in the period in which the expenditure is incurred.

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Company can demonstrate technical and commercial feasibility of making the asset available for use or sale.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an item of intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of such item of intangible asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Amortisation:

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. 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 assets are considered to modify the amortisation period or method, as appropriate, and are treated as change in accounting estimates. 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.

Intangible Assets without finite life are tested for impairment at each Balance sheet date and impairment provision, if any, is debited to profit and loss.

The estimated useful lives of the amortisable intangible assets are as follows:

Particulars	Amortisation
Computer software	3 years

3.5 Business Combinations and Goodwill:

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Company elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognised at their acquisition date fair values. The consideration transferred does not include amount related to the settlement of pre-existing relationships with the acquiree.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS

Notes to the Standalone Financial Statements for the year ended March 31, 2022

109 Financial Instruments, is measured at fair value with changes in fair value recognised in statement of profit and loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the relevant Ind AS. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and any difference subsequent its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the fair value of identifiable assets acquired net of fair value of liabilities assumed. Any gain on a bargain purchase is recognised in OCI and accumulated in equity as capital reserve if there exists clear evidence, of the underlying reasons for classifying the business combination as resulting in a bargain purchase; otherwise, the gain is recognised directly in equity as capital reserve.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the entities' cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than it's carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in statement of profit and loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash generating unit retained.

3.6 Impairment of Non-Financial Assets:

The Company assesses at each reporting date, whether there is an indication that a non-financial asset may be impaired. If any indication exists, or when annual impairment testing for such asset is required, the Company estimates the asset's recoverable amount in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Goodwill and the intangible assets with indefinite life are tested for impairment each year.

Impairment loss is recognised when the carrying amount of an asset (or cash generating unit) exceeds its recoverable amount which is higher of asset's (or cash generating unit's) net selling price or the value in use. The amount of value in use is determined as the present value of estimated future cash flows from the continuing use of an asset (or cash generating unit) and from its disposal at the end of its useful life. For this purpose, the discount rate (pre-tax) is determined based on the weighted average cost of capital of the company suitably adjusted for risks specified to the estimated cash flows of the asset (or cash generating units).

If recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, such deficit is recognised immediately in the Statement of Profit and Loss as impairment loss and the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss is recognised for the asset (or cash generating unit). A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

3.7 Inventories:

Inventories are valued, after providing for obsolescence as given below:

Raw Materials, Packing Materials and Stores and Spares:

Raw materials, packing materials and stores and spares are valued at lower of Cost or net realizable value. However,

Notes to the Standalone Financial Statements for the year ended March 31, 2022

materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Costs are determined on First in First out basis

Work-in-progress

Work-in-progress is valued at the lower of cost and net realizable value. The cost is computed on First in First out basis.

Finished Goods, Semi-Finished Goods and Traded Goods:

Finished goods, Semi-finished goods and traded goods are valued at lower of cost and net realisable value. The cost is computed on First in First out basis.

Cost is determined on First in First out basis which includes expenditure incurred for acquiring inventories like purchase price, import duties, taxes (net of tax credit), cost of conversion and other costs incurred in acquiring the inventories to their present location and condition. For financial statements to provide more reliable and relevant information about the effects of transactions, the management has decided to change cost formula from weighted average basis to FIFO from this financial year prospectively.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

3.8 Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and highly liquid financial instruments, which are readily convertible into known amounts of cash, that are subject to an insignificant risk of change in value with an original maturity of three months or less.

3.9 Employee Benefits:

(a) Short-term employee benefits:

All employee benefits payable wholly within twelve months of rendering the services are classified as short-term employee benefits. Benefits such as salaries, wages, short-term compensated absences, expected cost of bonus, etc. are recognised in the period in which the employee renders the related services.

(b) Post-employment benefits:

(i) Defined Contribution Plan:

The Company makes defined contribution to Employee Provident Fund, Employee Pension Fund, Employee Deposit Linked Insurance, and Superannuation Schemes. The contribution paid/payable under these schemes is recognised during the period in which the employee renders the related services which are recognised in the Statement of Profit and Loss on accrual basis during the period in which the employee renders the services.

(ii) Defined Benefit Plan

The gratuity liability of the company is funded through a Group Gratuity Scheme with Life Insurance Corporation of India (LIC) under which the annual contribution is paid to LIC. The Company's liability under Payment of Gratuity Act is determined on the basis of actuarial valuation made at the end of each financial year using the projected unit credit method. The obligation is measured at the present value of the estimated future cash flows using a discount rate based on the market yield on government securities where the terms of government securities are consistent with the estimated terms of the defined benefit obligations at the Balance Sheet date. The Company recognizes the net obligation of a defined benefit plan in its Balance Sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability / (asset) are recognized in other comprehensive income and are not reclassified to profit or loss in subsequent periods.

(c) Long term employee benefits:

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability. The cost of providing benefits is actuarially determined using the projected unit credit method, actuarial valuations being carried out at each Balance Sheet date.

Notes to the Standalone Financial Statements for the year ended March 31, 2022

3.10 Provisions, Contingent Liabilities and Contingent Assets

Provisions

The Company recognizes a provision when it has a present legal or constructive obligation as a result of past events, it is likely that an outflow of resources will be required to settle the obligation; and the amount has been reasonably estimated. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost.

Contingent Liabilities

Contingent liability is a possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

Contingent Assets

A contingent asset is not recognised unless it becomes virtually certain that an inflow of economic benefit will arise. When an inflow of economic benefits is probable, contingent assets are disclosed in the financial statements. Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

Onerous Contracts:

A provision for onerous contracts is measured at the present value of the lower expected costs of terminating the contract and the expected cost of continuing with the contract. Before a provision is established, the Company recognizes impairment on the assets with the contract.

3.11 Taxes:

The tax expenses comprise of current tax and deferred tax charge or credit. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the Other Comprehensive Income or in Equity, in which case, the tax is also recognised in Other Comprehensive Income or Equity.

Current Tax:

Tax on income for the current period is determined on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments/ appeals. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period.

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.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set-off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred Tax:

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the company's financial statements and the corresponding tax bases used in computation of taxable profit and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

Deferred tax liabilities are recognised for all taxable temporary differences at the reporting date between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax assets are recognised for all taxable temporary differences to the extent that is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets are to be recovered.

Unrecognized deferred tax assets are reassessed at the end of each reporting period and are recognized to the extent that it has become probable that future taxable profits will be available against which the deferred tax assets to be recovered.

Notes to the Standalone Financial Statements for the year ended March 31, 2022

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the end of reporting period, to recover or settle the carrying amount of its assets and liabilities.

Transaction or event which is recognised outside profit or loss, either in other comprehensive income or in equity, is recorded in other comprehensive income or in equity along with the tax as applicable.

Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set-off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

3.12 Revenue Recognition:

Revenue from Operations:

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services.

To recognise revenues, the Company applies the following five step approach in accordance with Ind AS 115:

(a) identify the contract with a customer

(b) identify the performance obligations in the contract

(c) determine the transaction price

(d) allocate the transaction price to the performance obligations in the contract and

(e) recognise revenues when a performance obligation is satisfied.

Sale of Goods:

The Company recognises revenue from sale of goods measured upon satisfaction of performance obligation which is at a point in time when control of the goods is transferred to the customer, generally on delivery of the goods. Depending on the terms of the contract, which differs from contract to contract, the goods are sold on a reasonable credit term. 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.

Sale of Services:

Revenue from services is recognised when the performance obligation is met and the right to receive income is established.

Interest Income:

For all debt instruments measured either at amortised cost or at 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 or to the amortised cost of a financial liability. 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 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.

Dividend Income:

Dividend income is recognized when the Company’s right to receive the payment is established, which is generally when shareholders approve the dividend.

Export Incentives:

Eligible export incentives are recognised in the year in which the conditions precedent are met and there is no significant uncertainty about the collectability.

Other Income:

Revenue with respect to Other Operating Income and Other Income including insurance and other claims are recognised when a reasonable certainty as to its realisation exists.

Notes to the Standalone Financial Statements for the year ended March 31, 2022

3.14 Leases:

The Company evaluates each contract or arrangement, whether it qualifies as lease as defined under Ind AS 116.

As a Lessee:

The Company assesses, whether the contract is, or contains, a lease, at its inception. A contract is, or contains, a lease if the contract conveys the right to –

(a) control the use of an identified asset,

(b) obtain substantially all the economic benefits from use of the identified asset, and

(c) direct the use of the identified asset

The Company determines the lease term as the non-cancellable period of a lease, together with periods covered by an option to extend the lease, where the Company is reasonably certain to exercise that option.

The Company at the commencement of the lease contract recognizes a Right-of-Use (RoU) asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term leases) and low-value assets. For these short term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

The cost of the right-of-use asset comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The Right-of-Use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the Right-of-Use asset or the end of the lease term. The estimated useful lives of Right-of-Use assets are determined on the same basis as those of property, plant and equipment. In addition, the Right-of-Use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

For lease liabilities at the commencement of the lease, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, if that rate is not readily determinable, the lease payments are discounted using the incremental borrowing rate that the Company would have to pay to borrow funds, including the consideration of factors such as the nature of the asset and location, collateral, market terms and conditions, as applicable in a similar economic environment. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

Lease payments included in the measurement of the lease liability comprises fixed payments, including amounts expected to be payable under a residual value guaranteed and the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option. The lease liability is subsequently measured at amortised cost using the effective interest method.

Each lease rental paid is allocated between the liability and the interest cost, so as to obtain a constant periodic rate of interest on the outstanding liability for each period. Finance charges are recognised as finance costs in the statement of profit and loss.

As a lessor:

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Notes to the Standalone Financial Statements for the year ended March 31, 2022

3.15 Borrowing Costs:

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

In determining the amount of borrowing costs eligible for capitalization, any income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

3.16 Foreign Currency Transactions:

Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction. At each Balance Sheet date, foreign currency monetary items are reported using the closing rate. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of initial transactions. Exchange differences that arise on settlement of monetary items or on reporting of monetary items at each Balance Sheet date are recognised in profit or loss in the period in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

3.17 Earnings Per Share:

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events such as bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

3.18 Exceptional items:

When items of income or expense within the statement of profit & loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the Company for the period, the nature and amount of such material items are disclosed separately as exceptional items.

3.19 Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity to another entity. The Company determines the classification of its financial assets and liabilities at initial recognition.

Initial Recognition:

Financial assets and/or financial liabilities are recognised when the Company becomes party to a contract embodying the related financial instruments. All financial assets, financial liabilities and financial guarantee contracts are initially measured at transaction values and where such values are different from the transaction values, at fair values. Transaction costs that are attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss are added to or deducted from as the case may be, from the fair value on initial recognition.

Classification and Subsequent Measurement of Financial Assets:

The Company classifies financial assets, subsequently at amortised cost, Fair Value through Other Comprehensive Income (“FVTOCI”) or Fair Value through Profit or Loss (“FVTPL”) on the basis of following:

- the entity’s business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset.

Notes to the Standalone Financial Statements for the year ended March 31, 2022

(a) **Financial Assets measured at Amortised Cost:**

A Financial Asset is measured at amortised Cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the Financial Asset give rise on specified dates to cash flows that represent solely payments of principal and interest on the principal amount outstanding.

(b) **Financial Assets measured at Fair Value Through Other Comprehensive Income (FVTOCI):**

A Financial Asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling Financial Assets and the contractual terms of the Financial Asset give rise on specified dates to cash flows that represent solely payments of principal and interest on the principal amount outstanding.

(c) **Financial Assets measured at Fair Value Through Profit or Loss (FVTPL):**

FVTPL is a residual category for financial assets. Any financial asset, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL.

Classification and Subsequent Measurement of Financial Liabilities:

(a) **Financial liabilities measured at Fair Value Through Profit or Loss (FVTPL):**

Financial liabilities are classified as FVTPL when the financial liability is held for trading or is a derivative (except for effective hedge) or are designated upon initial recognition as FVTPL. Gains or Losses, including any interest expense on liabilities held for trading are recognised in the Statement of Profit and Loss.

(b) **Other Financial liabilities:**

Other financial liabilities (including loans and borrowings, bank overdrafts and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and amounts paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost on initial recognition.

Interest expense (based on the effective interest method), foreign exchange gains and losses, and any gain or loss on derecognition is recognised in the Statement of Profit and Loss.

For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Debt and Equity Instruments:

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received, net of direct issue costs.

Equity Investments

All equity investments in the 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 amounts from OCI to statement of 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.

Investments in subsidiaries:

Investments in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts are recognised in the statement of profit and loss.

De-recognition of Financial Instruments:

The Company derecognises a Financial Asset when the contractual rights to the cash flows from the Financial Asset expire or it transfers the Financial Asset and the transfer qualifies for de-recognition under Ind AS 109. In cases where Company has neither transferred nor retained substantially all of the risks and rewards of the financial asset, but retains control of the financial asset, the Company continues to recognize such financial asset to the extent of its continuing involvement in the financial asset. In that case, the Company also recognizes an associated liability. The financial asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

A Financial liability (or a part of a financial liability) is derecognised from the Company's Balance Sheet when the obligation specified in the contract 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 between the carrying amount of the financial liability de-recognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

Impairment of Financial Assets:

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of all Financial Assets subsequent to initial recognition other than financial assets measured at fair value through profit and loss (FVTPL). For Trade Receivables and all lease receivables resulting from transactions within the scope of Ind AS 116 the Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward-looking estimates are analysed. For other financial assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk since its initial recognition. If there is significant increase in credit risk since its initial recognition full lifetime ECL is used. The impairment losses and reversals are recognised in Statement of Profit and Loss.

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.

Offsetting of Financial Instruments:

Financial assets and financial liabilities are offset and presented on net basis in the balance sheet when there is a legally enforceable right to set-off the recognised amounts and it is intended to either settle them on net basis or to realise the asset and settle the liability simultaneously.

Fair Value of Financial Instruments

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis and available quoted market prices, where applicable. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

Financial instruments by category are separately disclosed indicating carrying value and fair value of financial assets and liabilities. For financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at fair value, the carrying amounts approximate fair value due to the short maturity of these instruments.

Derivative Financial Instruments:

Derivative financial instruments such as forward contracts, option contracts and cross currency swaps, to hedge its foreign currency risks are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value with changes in fair value recognised in the Statement of Profit and Loss in the period when they arise.

Notes to the Standalone Financial Statements for the year ended March 31, 2022

4 Property, Plant and Equipment (PPE)

(₹ in lakh)

Particulars	Leasehold Land	Buildings	Plant & Machinery	Electrical Installation	Furniture & Fixture	Vehicles	Computer	Office Equipment	Total	Capital Work in Progress (CWIP)
Gross carrying amount										
As at 1st April, 2020	2,379.48	4,040.16	24,300.24	159.40	238.69	228.59	112.48	100.51	31,559.55	12,912.18
Additions during the year	226.71	296.98	1,787.20	86.77	156.73	48.24	25.83	35.63	2,664.09	13,031.35
Assets capitalised during the year from CWIP	1,316.40	7,815.75	12,222.28	-	-	-	-	-	21,354.43	(21,354.43)
Disposals during the year	-	-	-	-	-	(14.12)	-	-	(14.12)	
Gross carrying amount as at 31st March, 2021	**3,922.59**	**12,152.89**	**38,309.71**	**246.17**	**395.41**	**262.71**	**138.31**	**136.15**	**55,563.95**	**4,589.10**
Accumulated depreciation/impairment										
Accumulated depreciation/ impairment as at 1st April, 2020	44.86	398.71	5,526.57	22.70	45.99	127.21	87.28	53.37	6,306.69	-
Depreciation/impairment for the year	33.00	162.54	1,260.67	17.42	27.97	15.72	22.12	16.28	1,555.72	-
Disposals during the year	-	-	-	-	-	(11.31)	-	-	(11.31)	-
Accumulated depreciation/ impairment as at 31st March, 2021	**77.86**	**561.25**	**6,787.25**	**40.12**	**73.96**	**131.62**	**109.39**	**69.65**	**7,851.10**	**-**
Net carrying amount as at 31st March 2021	**3,844.74**	**11,591.64**	**31,522.46**	**206.05**	**321.45**	**131.09**	**28.92**	**66.50**	**47,712.85**	**4,589.10**
Gross carrying amount										
As at 1st April, 2021	3,922.59	12,152.89	38,309.71	246.17	395.41	262.71	138.31	136.15	55,563.95	4,589.10
Additions during the year	313.64	654.51	2,849.34	1.19	52.19	31.18	19.78	30.53	3,952.36	8,308.49
Assets capitalised during the year from CWIP	-	-	1,881.32	-	-	-	-	-	1,881.32	(1,881.32)
Disposals during the year	-	-	(999.30)	-	-	(5.52)	-	-	(1,004.82)	-
Gross carrying amount as at 31st March, 2022	**4,236.23**	**12,807.40**	**42,041.07**	**247.36**	**447.60**	**288.37**	**158.09**	**166.68**	**60,392.80**	**11,016.27**
Accumulated depreciation/impairment										
Accumulated depreciation/ impairment as at 1st April, 2021	77.86	561.25	6,787.25	40.12	73.96	131.62	109.39	69.65	7,851.10	-
Depreciation/impairment for the year	48.33	391.09	1,956.45	22.44	38.47	23.54	24.64	22.88	2,527.84	
Disposals during the year	-	-	(829.52)	-	-	(5.52)	-	-	(835.04)	
Accumulated depreciation/ impairment as at 31st March, 2022	**126.19**	**952.34**	**7,914.17**	**62.56**	**112.43**	**149.64**	**134.03**	**92.53**	**9,543.89**	**-**
Net carrying amount as at 31st March 2022	**4,110.04**	**11,855.06**	**34,126.90**	**184.80**	**335.18**	**138.73**	**24.06**	**74.15**	**50,848.91**	**11,016.27**

Notes to the Standalone Financial Statements for the year ended March 31, 2022

4 Property, Plant and Equipment (PPE) *(contd...)*

Footnotes:

(a) Borrowing cost of ₹ 377.52 Lakhs have been capitalised during the year (March 31, 2021 - ₹ 749.25 Lakhs).

(b) Title deeds of Immovable Properties not held in the name of the Company

(₹ in lakh)

Relevant line item in Balance Sheet	Description of item of property	Gross Carrying Value		Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter / director	Property held since which date	Reason for not being held in the name of the Company
		As at 31st March, 2022	As at 31st March, 2021				
Land	Factory land Plot No. 231 VATVA (these are survey numbers) - Plot Nos. 228 to 239	3.30	3.30	Dispo Dyechem Private Limited	No	October 2018	Property was acquired through amalgamation/merger, the name change in the name of the Company is pending.
Land	Factory Land Plot No. 232 VATVA (these are survey numbers) - Plot Nos. 228 to 239	3.30	3.30	Dispo Dyechem Private Limited	No	October 2018	Property was acquired through amalgamation/merger, the name change in the name of the Company is pending.
Land	Factory Land Plot No. 233 VATVA (these are survey numbers) - Plot Nos. 228 to 239	3.65	3.65	Dispo Dyechem Private Limited	No	October 2018	Property was acquired through amalgamation/merger, the name change in the name of the Company is pending.
Land	Factory Land Plot No. 235 VATVA (these are survey numbers) - Plot Nos. 228 to 239	3.30	3.30	Dispo Dyechem Private Limited	No	October 2018	Property was acquired through amalgamation/merger, the name change in the name of the Company is pending.
Land	Factory Land Plot No. 236 VATVA (these are survey numbers) - Plot Nos. 228 to 239	3.30	3.30	Dispo Dyechem Private Limited	No	October 2018	Property was acquired through amalgamation/merger, the name change in the name of the Company is pending.
Land	Land (Sayakha) - Plot No. 540 & 541 & DP/90/21	1,568.59	1,568.59	Amarjyot Chemical Limited	No	October 2018	Property was acquired through amalgamation/merger, the name change in the name of the Company is pending.
Land	Plot No C-1 + 2/B, GIDC Estate, DAHEJ, Tal. Vagra, Dist. Bharuch, Gujarat.	300.00	300.00	Aarti Industries Limited	No	August 2019	Application is already filed for change in title of the property.
Land	Land - Plot No. A1/322-11, Vapi Industrial Area.	57.44	57.44	Amarjyot Chemical Limited	No	October 2018	Property was acquired through amalgamation/merger, the name change in the name of the Company is pending.

Notes to the Standalone Financial Statements for the year ended March 31, 2022

4 Property, Plant and Equipment (PPE) *(contd...)*

(c) Capital Work-In-Progress (CWIP) Ageing Schedule

As at 31st March 2022

(₹ in lakh)

	< 1 Year	1- 2 Years	2- 3 Years	> 3 Years	Total
Projects in progress	7,491.28	3,503.75	21.24	-	11,016.27
Projects temporarily suspended	-	-	-	-	-
Total	**7,491.28**	**3,503.75**	**21.24**	**-**	**11,016.27**

As at 31st March 2021

(₹ in lakh)

	< 1 Year	1- 2 Years	2- 3 Years	> 3 Years	Total
Projects in progress	4,293.85	295.25	-	-	4,589.10
Projects temporarily suspended	-	-	-	-	-
Total	**4,293.85**	**295.25**	**-**	**-**	**4,589.10**

(d) There are no material projects whose completion is overdue as compared to its original plan as at 31st March 2022.

(e) There were no material projects which have exceeded their original plan cost as at 31st March, 2022.

5 Right-of-Use Asset-

(₹ in lakh)

	Right-of-Use Asset Building
Gross carrying amount	
As at 1st April, 2020	42.79
Additions during the year	39.55
Disposals during the year	-
Gross carrying amount as at 31st March 2021	**82.35**
Accumulated depreciation	
As at 1st April, 2020	14.74
Depreciation charge for the year	24.63
Disposals during the year	-
Accumulated depreciation as at 31st March 2021	**39.37**
Net carrying amount as at 31st March 2021	**42.97**
Gross carrying amount	
As at 1st April, 2021	82.35
Additions during the year	26.20
Disposals during the year	-
Gross carrying amount as at 31st March 2022	**108.54**
Accumulated depreciation	
As at 1st April, 2021	39.37
Depreciation charge for the year	30.52
Disposals during the year	-
Accumulated depreciation as at 31st March 2022	**69.89**
Net carrying amount as at 31st March 2022	**38.65**

Notes to the Standalone Financial Statements for the year ended March 31, 2022

6 Goodwill

(₹ in lakh)

	Goodwill
Gross carrying amount	
As at 1st April, 2020	1,977.26
Additions during the year	-
Disposals during the year	-
Gross carrying amount as at 31st March 2021	**1,977.26**
Accumulated amortisation/impairment	
Accumulated amortisation/impairment as at 1st April, 2020	1,695.67
Amortisation/Impairment for the year	281.59
Disposals during the year	-
Accumulated amortisation/impairment as at 31st March 2021	**1,977.26**
Net carrying amount as at 31st March 2021	**-**
Gross carrying amount	
As at April 1, 2021	1,977.26
Additions during the year	-
Disposals during the year	-
Gross carrying amount as at 31st March 2022	**1,977.26**
Accumulated amortisation/impairment	
Accumulated amortisation/impairment as at 1st April, 2021	1,977.26
Amortisation/Impairment for the year	-
Disposals during the year	-
Accumulated amortisation/impairment as at 31st March 2022	**1,977.26**
Net carrying amount as at 31st March 2022	**-**

7 Other Intangible Assets

(₹ in lakh)

	Technical Knowhow	Computer Software	Total
Gross carrying amount			
As at April 1, 2020	150.00	4.12	154.12
Additions during the year	-	-	-
Disposals during the year	-	-	-
Gross carrying amount as at 31st March 2021	**150.00**	**4.12**	**154.12**
Accumulated amortisation			
As at April 1, 2020	150.00	1.33	151.33
Amortisation charge for the year	-	1.31	1.31
Disposals during the year	-	-	-
Accumulated amortisation as at 31st March 2021	**150.00**	**2.64**	**152.64**
Net carrying amount as at 31st March 2021	**-**	**1.49**	**1.49**
Gross carrying amount			
As at April 1, 2021	150.00	4.12	154.12
Additions during the year	-	-	-
Disposals during the year	-	-	-
Gross carrying amount as at 31st March 2022	**150.00**	**4.12**	**154.12**
Accumulated amortisation			
As at April 1, 2021	150.00	2.64	152.64
Amortisation charge for the year	-	1.31	1.31
Disposals during the year	-	-	-
Accumulated amortisation as at 31st March 2022	**150.00**	**3.94**	**153.94**
Net carrying amount as at 31st March 2022	**-**	**0.18**	**0.18**

Notes to the Standalone Financial Statements for the year ended March 31, 2022

8 Investments

8A Investment in Subsidiaries (non-current)

(₹ in lakh)

Particulars	March 31, 2022	March 31, 2021
Unquoted Investments		
Investment in subsidiaries - measured at cost		
Investment in subsidiary companies	25.00	25.00
Investment in Limited Liability Partnership	4,985.44	3,924.15
Total	**5,010.44**	**3,949.15**

	March 31, 2022		March 31, 2021	
	No of Shares	Amount	No of Shares	Amount
Investments carried at cost/deemed cost:				
Equity Shares of Subsidiary Companies (Unquoted)				
Valiant Speciality Chemicals Ltd	2,50,000	25.00	2,50,000	25.00
Investments in Limited Liability Partnership (Unquoted)				
Dhanvallabh Ventures LLP	N.A.	4,985.44	N.A.	3,924.15
Total Investment in Subsidiaries	**2,50,000**	**5,010.44**	**2,50,000**	**3,949.15**

Footnote: Aggregate value of Unquoted Investments is ₹ 5,010.44 lakhs (PY 3,949.15 lakhs).

8B Other Investments (non-current)

(₹ in lakh)

Particulars	March 31, 2022	March 31, 2021
Other Investments - FVTOCI		
Quoted Investments		
- Investments in Equity Shares	286.99	199.90
Unquoted Investments		
- Investments in Preference Shares	37.50	33.74
	324.49	**233.65**
Other Investments - Amortised Cost		
Unquoted Investments		
- Share in Co-operative Society	0.05	0.05
	0.05	**0.05**
Total Other Investments (non-current)	**324.54**	**233.70**

	March 31, 2022		March 31, 2021	
	No of Shares	Amount	No of Shares	Amount
I. Investments carried at fair value through OCI:				
Investments in Equity Shares (Quoted)				
- Aarti Industries Limited (FV ₹ 5)	30,000	286.99	15,000	199.90
Investments in Preference Shares (Unquoted)				
- Aarti Surfactant - 4% redeemable preference shares	20,500	37.50	20,500	33.74
		324.49		**233.65**
II. Investments carried at amortised cost:				
Unquoted				
- Share in Co-operative Society	50	0.05	50	0.05
		0.05		**0.05**
Total		**324.54**		**233.70**

Footnote

1. Aggregate value of quoted investments and its market value is ₹ 286.99 lakhs (PY 199.90 lakhs).
2. Aggregate value of unquoted investments is ₹ 37.55 lakhs (PY 33.79 lakhs).

Notes to the Standalone Financial Statements for the year ended March 31, 2022

8 Investments *(contd...)*

8C Investments (current)

(₹ in lakh)

Particulars	March 31, 2022	March 31, 2021
Quoted Investments		
Investment in Equity Shares (Quoted) - Measured at FVOCI	13.82	14.02
Total Investments (current)	**13.82**	**14.02**

	March 31, 2022		March 31, 2021	
	No of Shares/ Units of Mutual Funds	Amount	No of Shares/ Units of Mutual Funds	Amount
Investments - in Equity Shares (Quoted)				
Other Companies - measured at FVOCI				
Elantas Beck India (FV ₹10)	400	13.76	400	13.49
Orchid Pharma Limited (FV ₹10)	22	0.06	22	0.53
Total	**422**	**13.82**	**422**	**14.02**

Footnote: Aggregate value of Quoted Investments is ₹ 13.82 lakhs (PY 14.02 lakhs).

9 Other Financial Assets

9A Non-current (at amortised cost)

(₹ in lakh)

Particulars	March 31, 2022	March 31, 2021
Security Deposits		
Unsecured, Considered Good	521.64	523.87
Total Other Financial Assets (non-current)	**521.64**	**523.87**

9B Current (at amortised cost)

(₹ in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured, Considered Good		
Security Deposits	25.45	19.95
Interest Receivable	6.75	1.58
Total Other Financial Assets (current)	**32.20**	**21.53**

10 Other Assets

10A Non-current

(Unsecured, unless otherwise stated)

(₹ in lakh)

Particulars	March 31, 2022	March 31, 2021
Capital Advances	113.71	931.32
Total Other Assets (non-current)	**113.71**	**931.32**

10B Current

(Unsecured, considered good, unless otherwise stated)

(₹ in lakh)

Other Current Assets	As at March 31, 2022	As at March 31, 2021
Balances with Statutory / Government Authorities	1,325.32	2,243.31
Advances to Suppliers	673.52	316.00
Prepaid Expenses	40.05	6.31
Export Benefits Receivable	126.51	-
Receivable - Others	-	4.21
Total Other Assets (current)	**2,165.40**	**2,569.83**

Notes to the Standalone Financial Statements for the year ended March 31, 2022

11 Inventories (at lower of cost and net realisable value)

(₹ in lakh)

Particulars	March 31, 2022	March 31, 2021
Raw Material	4,549.79	3,734.24
Fuel	137.21	50.41
Stores & Spares	423.48	271.74
Packing Materials	84.23	48.38
Work-in-Progress	1,259.29	316.86
Finished Goods	3,064.12	2,100.81
Service Inventory	216.25	80.12
	9,734.37	**6,602.55**
Included above, goods-in-transit:		
Raw Material	15.17	595.21
	15.17	**595.21**

12 Trade Receivables (current) (at amortised cost)

(₹ in lakh)

Particulars	March 31, 2022	March 31, 2021
Trade Receivables	25,551.69	11,875.83
Less: Impairment Allowance	(235.42)	(214.42)
Trade Receivables (net)	**25,316.27**	**11,661.41**
Break-up of security details		
(i) Unsecured, considered good	25,316.27	11,661.41
(ii) Unsecured, credit impaired	235.42	214.42
	25,551.69	**11,875.83**
Less: Impairment Allowance	(235.42)	(214.42)
	25,316.27	**11,661.41**

(a) Due to the short nature of credit period given to customers, there is no financing component in the contracts.

(b) The Company applies the expected credit loss (ECL) model for measurement and recognition of impairment losses on trade receivables. The Company follows the simplified approach for recognition of impairment allowance on trade receivables. The application of the simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment allowance based on lifetime ECLs at each reporting date. ECL impairment loss allowance (or reversal) recognised during the period is recognised in the Statement of Profit and Loss. This amount is reflected under the head 'other expenses' in the Statement of Profit and Loss.

(c) Trade receivables (current) ageing :

As at 31 March, 2022

(₹ in lakh)

	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 Month	6 Month to 1 Year	1-2 Year	2-3 Year	More than 3 Year	
(i) Undisputed Trade Receivables - considered good	19,564.43	5,529.72	27.78	6.31	0.12	59.79	25,188.15
(ii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iii) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – credit impaired	-	-	-	-	-	119.89	119.89
	19,564.43	**5,529.72**	**27.78**	**6.31**	**0.12**	**179.69**	**25,308.04**
Unbilled Trade Receivables	-	-	-	-	-	-	243.65
Less: Impairment Allowance	-	-	-	-	-	-	(235.42)
Total Trade Receivables	**-**	**-**	**-**	**-**	**-**	**-**	**25,316.27**

Notes to the Standalone Financial Statements for the year ended March 31, 2022

12 Trade Receivables (current) (at amortised cost) *(contd...)*

As at 31 March, 2021

(₹ in lakh)

	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 Month	6 Month to 1 Year	1-2 Year	2-3 Year	More than 3 Year	
(i) Undisputed Trade Receivables - considered good	8,508.90	2,967.16	3.84	42.15	83.95	32.42	11,638.41
(ii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iii) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – credit impaired	-	-	-	-	-	119.89	119.89
	8,508.90	**2,967.16**	**3.84**	**42.15**	**83.95**	**152.31**	**11,758.30**
Unbilled Trade Receivables	-	-	-	-	-	-	117.53
Less: Impairment Allowance	-	-	-	-	-	-	(214.42)
Total Trade Receivables	**-**	**-**	**-**	**-**	**-**	**-**	**11,661.41**

(d) Movement in expected credit loss allowance of trade receivables

(₹ in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	214.42	119.89
Allowances / (write back) during the year	21.00	94.52
Written off against past provision	-	-
Balance at the end of the year	**235.42**	**214.42**

13 Cash and Cash Equivalents

(₹ in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Cash & Cash Equivalents		
Cash on hand	3.78	1.98
Balances with Banks	2,292.80	861.02
Total Cash & Cash Equivalents	**2,296.58**	**863.00**

14 Other Balances with Banks

(₹ in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Fixed Deposits	33.55	315.09
Total Other Balances with Banks	**33.55**	**315.09**

15 Loans (current) (at amortised cost)

(₹ in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured, Considered Good		
Loans to Employees	46.45	42.86
Advances to Related Parties	-	2.47
Total Loans (current)	**46.45**	**45.33**

Notes to the Standalone Financial Statements for the year ended March 31, 2022

16 Current Tax Assets (Net)

(₹ in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Advance Tax and Tax Deducted at Source (Net of Provisions)	775.01	480.34
Total Current Tax Assets (Net)	**775.01**	**480.34**

17 Equity Share Capital

A. Authorised Share Capital

(₹ in lakh)

Particulars		March 31, 2022	March 31, 2021
Authorised:			
3,71,00,000	Equity Shares of ₹ 10/- each (March 31, 2021 - 3,71,00,000)	3,710.00	3,710.00
5,00,000	Redeemable Preference Shares of ₹ 10/- each (March 31, 2021 - 5,00,000)	50.00	50.00
20,00,000	Optionally Convertible Preference Shares of ₹10 each (March 31, 2021 - 20,00,000)	200.00	200.00
40,000	Redeemable Non-Cumulative Preference Shares of ₹100 each (March 31, 2021 - 40,000)	40.00	40.00
Total		**4,000.00**	**4,000.00**

B. Issued, Subscribed & Paid Up:

(₹ in lakh)

Particulars	March 31, 2022	March 31, 2021
Equity Share Capital (Opening Balance)	2,715.35	1,214.92
Add: Conversion of Optionally Convertible Preference Shares	-	142.75
Add: Issue of Bonus Shares	-	1,357.67
2,71,53,488 Equity Shares of ₹ 10 each (March 31, 2021 - 2,71,53,488) [A]	**2,715.35**	**2,715.35**
Optionally Convertible Preference Shares (Opening Balance)	40.56	183.31
Less : Converted to Equity Shares during the year	-	(142.75)
4,05,561 Optionally Convertible Preference Shares of ₹ 10 each (March 31, 2021 - 4,05,561) [B]	**40.56**	**40.56**
Total (A+B)	**2,755.90**	**2,755.90**

Rights, preferences and restrictions attached to equity shares

Ordinary Equity Shares

The Company has only one class of Shares referred to as Equity Shares having par value of ₹ 10. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Optionally Convertible Preference Shares (OCPS)

Convertible at the option of the holder within 18 months from the date of receipt of trading approval from BSE Limited.

Equity Shares issued and allotted, pursuant to Conversion will be listed on the Stock Exchange.

The Equity shares issued and allotted, upon conversion shall rank pari passu in all respects including dividend with the existing Equity shares of the Company.

Pursuant to the scheme of arrangement with Amarjyot Chemical Limited, OCPS was supposed to be converted into equity shares or into Redeemable Preference Shares (RPS) before February 2022. However, on obtaining consent from OCPS shareholders for conversion into equity shares, the Company filed application on November 23, 2021. Pending formal approval from the regulator, the Board of Directors has approved extension in timeline for such conversion in its meeting held on 30 April 2022.

Notes to the Standalone Financial Statements for the year ended March 31, 2022

17 Equity Share Capital *(contd...)*

C. Reconciliation of Equity Shares Outstanding

(a) Ordinary Equity Shares (₹ in lakh)

	March 31, 2022		March 31, 2021	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	2,71,53,488	2,715.35	1,21,49,218	1,214.92
Add: Conversion of Optionally Convertible Preference Shares	-	-	14,27,526	142.75
Add: Issue of Bonus shares (1:1)	-	-	1,35,76,744	1,357.67
Shares outstanding at the end of the year	**2,71,53,488**	**2,715.35**	**2,71,53,488**	**2,715.35**

(b) Optionally convertible preference shares outstanding (Instruments entirely equity in nature) (₹ in lakh)

	March 31, 2022		March 31, 2021	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	4,05,561	40.56	18,33,087	183.31
Less: Conversion in to ordinary Equity Shares during the year	-	-	(14,27,526)	(142.75)
Shares outstanding at the end of the year	**4,05,561**	**40.56**	**4,05,561**	**40.56**

D. Details of Shares held by each shareholder holding more than 5% shares

(a) Ordinary Equity Shares

	March 31, 2022		March 31, 2021	
	Number	% of Holding	Number	% of Holding
Jaya Chandrakant Gogri	23,09,644	8.51	23,09,644	8.51
Arti Rajendra Gogri	19,77,814	7.28	21,43,914	7.90
Manisha Rashesh Gogri	15,89,114	5.85	15,89,114	5.85
Tarla Parimal Desai	-	-	18,55,278	6.83
Nikhil Parimal Desai	24,55,869	9.04	4,92,572	1.81

(b) Optionally convertible preference shares outstanding (Instruments entirely equity in nature)

	March 31, 2022		March 31, 2021	
	Number	% of Holding	Number	% of Holding
Bhavesh B.Mehta	23,814	5.87	23,814	5.87
Dilesh Roadline Pvt. Ltd	1,82,404	44.98	1,82,404	44.98
Nikhil Parimal Desai	55,742	13.74	15,120	3.73
Tarla Parimal Desai	3,508	0.86	44,130	10.88

Notes to the Standalone Financial Statements for the year ended March 31, 2022

17 Equity Share Capital *(contd...)*

E. Details of shares held by promoters / promoter group

(a) Ordinary Equity Shares

(₹ in lakh)

	March 31, 2022		March 31, 2021		% change during the year
	Number	% of Holding	Number	Amount	
Jaya Chandrakant Gogri	23,09,644	8.51	23,09,644	8.51	-
Arti Rajendra Gogri	19,77,814	7.28	21,43,914	7.90	(0.61)
Manisha Rashesh Gogri	15,89,114	5.85	15,89,114	5.85	-
Mirik Rajendra Gogri	6,69,334	2.47	5,05,934	1.86	0.60
Vicky Hemchand Gala	5,73,860	2.11	5,73,860	2.11	-
Arvind Kanji Chheda	4,33,476	1.60	8,55,476	3.15	(1.55)
Hiral Arvind Chheda	4,05,100	1.49	-	-	1.49
Hetal Gogri Gala	2,50,000	0.92	2,50,000	0.92	-
Hemchand Lalji Gala	1,27,079	0.47	1,49,856	0.55	(0.08)
Dhanvanti Hemchand Gala	1,00,100	0.37	1,49,940	0.55	(0.18)
Dilesh Roadlines Private Limited	4,33,722	1.60	13,33,722	4.91	(3.31)
Aarti Corporate Services Limited	99,412	0.37	99,412	0.37	-
Alchemie Financial Services Limited	54,396	0.20	54,396	0.20	-
Alchemie Finserv Private Limited	34,568	0.13	34,568	0.13	-
Aakansha Pharmachem LLP	5,080	0.02	5,080	0.02	-
Drl Cargo Carriers Private Limited	1,952	0.01	1,952	0.01	-
Tulip Family Trust	6,12,000	2.25	6,12,000	2.25	-
Ujjwal Business Trust	6,00,000	2.21	6,00,000	2.21	-
Paridhi Business Trust	1,29,924	0.48	1,29,924	0.48	-
Chandrakant Vallabhaji Gogri	82,954	0.31	82,954	0.31	-
Pooja Renil Gogri	57,334	0.21	57,334	0.21	-
Indira Madan Dedhia	40,500	0.15	40,500	0.15	-
Vijayanka Chhotalal Shah	1,000	0.00	500	0.00	0.00
Devang Shah	750	0.00	250	0.00	0.00
Rashesh Chandrakant Gogri	600	0.00	600	0.00	-
Heena Jatin Chheda	540	0.00	540	0.00	-
Neelam Hemang Shah	335	0.00	250	0.00	0.00
Forum Devang Shah	250	0.00	250	0.00	-
Hemang Chhotalal Shah	205	0.00	250	0.00	(0.00)
Pooja Hitendra Gala	75	0.00	75	0.00	-
Kirti L Gangar	20	0.00	20	0.00	-
Damayanti Laxmichand Shah	4	0.00	4	0.00	-
Nehal K Gangar	1	0.00	15	0.00	(0.00)
Raj Jatin Chheda	-	-	30	0.00	(0.00)
Jatin Moraji Chheda	-	-	360	0.00	(0.00)
Total	**1,05,91,143**	**39.00**	**1,15,82,724**	**42.66**	**(3.65)**

Notes to the Standalone Financial Statements for the year ended March 31, 2022

17 Equity Share Capital *(contd...)*

(b) Optionally convertible preference shares outstanding (Instruments entirely equity in nature)

	March 31, 2022		March 31, 2021		% change during the year
	Number	% of Holding	Number	% of Holding	
Alchemie Finserv Pvt. Ltd.	909	0.22	909	0.22	-
Alchemie Financial Service Limited	1,430	0.35	1,430	0.35	-
Aarti Corporate Services Limited	2,614	0.64	2,614	0.64	-
Aakansha Pharmachem LLP	134	0.03	134	0.03	-
Dilesh Roadlines Pvt. Ltd.	1,82,404	44.98	1,82,404	44.98	-
DRL Cargo Carrier Pvt. Ltd.	14,868	3.67	14,868	3.67	-
Total	**2,02,359**	**49.90**	**2,02,359**	**49.90**	**-**

F. DISTRIBUTION MADE AND PROPOSED

(₹ in lakh)

Particulars	March 31, 2022	March 31, 2021
Cash Dividends on Equity Shares declared and paid:		
Final Dividend for the year ended 31 March, 2021: Nil (31 March, 2020: Nil)	-	-
Interim Dividend for the year ended 31 March, 2022: Nil (31 March, 2021: ₹ 5/- per share)	-	678.84
	-	**678.84**
Proposed Dividend on Equity Shares:		
Dividend for the year ended 31 March, 2022: ₹ 3.50/- per share (31 March, 2021: Nil)	950.37	-
	950.37	**-**

Footnote: The Dividend Distribution Policy, in terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is in place and available on the website of the Company (https://www.valiantorganics.com/assets/investors/dividend-distribution-policy.pdf)

18 Other Equity

(₹ in lakh)

Particulars	March 31, 2022	March 31, 2021
a. Capital Reserve	7,846.30	7,846.30
b. Capital Redemption Reserve	38.40	-
c. General Reserve	3,910.88	3,910.88
d. Retained Earning	45,469.10	35,503.26
e. Equity instruments through Other Comprehensive Income	292.46	213.52
Total Other Equity	**57,557.14**	**47,473.96**

Nature and Purpose of Reserves

Capital Reserve

During amalgamation/merger/acquisition, the excess of net assets taken, over the consideration paid, if any, is treated as capital reserve.

Capital Redemption Reserve

Transferred to Capital Redemption Reserve on redemption of Redeemable Preference Shares during the year.

General Reserve

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

Notes to the Standalone Financial Statements for the year ended March 31, 2022

18 Other Equity *(contd...)*

Retained Earnings

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

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 instruments reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are de-recognised.

MOVEMENT IN OTHER EQUITY DURING THE YEAR

a. Capital Reserve (₹ in lakh)

Particulars	March 31, 2022	March 31, 2021
Opening Balance	7,846.30	7,846.30
Movement during the year	-	-
Closing Balance	**7,846.30**	**7,846.30**

b. Capital Redemption Reserve (₹ in lakh)

Particulars	March 31, 2022	March 31, 2021
Opening Balance	-	-
Movement during the year	38.40	-
Closing Balance	**38.40**	**-**

c. General Reserve (₹ in lakh)

Particulars	March 31, 2022	March 31, 2021
Opening Balance	3,910.88	2,764.97
Add : Transfer from Retained Earning	-	1,145.92
Closing Balance	**3,910.88**	**3,910.88**

d. Retained Earning (₹ in lakh)

Particulars	March 31, 2022	March 31, 2021
Retained Earning		
Opening Balance (Surplus in Profit & Loss)	35,503.26	23,611.25
Add: Net Profit for the year	10,293.82	11,459.18
Less: Remeasurement (Loss) on defined benefit plan (net off tax)	(7.06)	(44.36)
Add: Transferred from Other Comprehensive Income on disposal of FVOCI equity instruments	-	3,660.99
Amount available for appropriation	**45,790.02**	**38,687.06**
Appropriation:		
Interim Dividend	-	(678.84)
Issuance of Bonus Shares	-	(1,357.67)
Expenses incurred for issuance of Bonus Shares	-	(1.36)
Staff Duty paid on Equity share	(282.51)	-
Transferred to General Reserve	-	(1,145.92)
Transferred to Capital Redemption Reserve on redemption of Redeemable Preference Shares during the year	(38.40)	-
Closing Balance	**45,469.10**	**35,503.26**

Retained Earnings include Remeasurement Loss (net of tax) on Defined Benefit Plans to the extent of ₹ 54.82 Lakhs (PY ₹ 76.87 Lakhs).

18 Other Equity *(contd...)*

e. Equity instruments through Other Comprehensive Income (₹ in lakh)

Particulars	March 31, 2022	March 31, 2021
Opening Balance	213.52	3,135.82
Add: Fair value changes of various Financial intruments (net off tax)	78.94	738.69
Less : Transfer to retained earnings on disposal of FVOCI equity instruments	-	(3,660.99)
Closing Balance	**292.46**	**213.52**

19 Borrowings

19A Non-current (₹ in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
a) **Secured**		
Term Loans from Banks		
- Foreign currency loans	3,537.55	5,566.42
- Indian currency loans	5,829.80	1,875.00
	9,367.35	**7,441.42**
b) **Unsecured**		
From Others		
- Indian currency loans	30.00	30.00
	30.00	**30.00**
Total Borrowings (non-current)	**9,397.35**	**7,471.42**

19B Current (₹ in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
a) **Repayable on demand from Banks (secured)**		
- Cash Credit Facilities	27.64	90.82
- Working Capital Demand Loans	17,600.19	4,900.00
- Packing Credit in foreign currency	-	116.87
	17,627.82	**5,107.70**
b) **Unsecured**		
- Foreign currency loans	2,191.46	2,133.38
- Indian currency loans	1,277.74	125.00
	3,469.20	**2,258.38**
Total Borrowings (current)	**21,097.02**	**7,366.07**

Footnotes:

1 As at March 31, 2022, ₹ 30,464.37 lakhs (March 31, 2021: ₹ 14,807.49 lakhs) of the total outstanding borrowings were secured by a charge on property, plant and equipment, inventories, receivables and other current assets.

2 **The security details of major borrowings as at March 31, 2022 are as below:**

(i) Foreign currency term loans as on 31 March 2022, amounting to ₹ 5,729.01 lakhs (non-current + current) were secured by a charge on immovable & movable properties including movable machinery, spares, tools & accessories, ranking pari passu inter-se. The term loans were drawn in different tranches over the period and were originally payable across 16 equal quarterly instalments starting from December 2020 till February 2025 as mentioned in the table below:

Particulars	Interest Rate	Quarterly Instalment	Repayment Start Date	Repayment End Date
(a) Term Loan of USD 5,568,704	L + 160 bps	USD 348,044	May 2021	February 2025
(b) Term Loan of USD 1,500,000	L + 200 bps	USD 93,750	July 2020	April 2024
(c) Term Loan of USD 1,000,000		USD 62,500	May 2020	February 2024
(d) Term Loan of USD 1,700,000		USD 106,250	December 2020	December 2024
(e) Term Loan of USD 1,700,000		USD 106,250	December 2020	December 2024

During the year ended 31 March 2022, the Company has repaid these loans.

Notes to the Standalone Financial Statements for the year ended March 31, 2022

19 Borrowings *(contd...)*

19B Current *(contd...)* (₹ in lakh)

(ii) Rupee term loans as on 31 March 2022, amounting to ₹ 7,107.53 lakhs were secured by a charge on immovable & movable properties including movable machinery, spares, tools & accessories, ranking pari passu inter-se. The term loan was originally payable across 16 equal quarterly instalments starting from January 2022 till October 2025 as mentioned in the table below:

Particulars	Interest Rate	Quarterly Instalment	Repayment Start Date	Repayment End Date
(a) Term Loan of ₹ 19,99,97,345/-	6.25%	₹ 1,25,00,000/-	September 2022	June 2026
(b) Term Loan of ₹ 50,96,94,510/-#	5.70% to 6.96%	₹ 7,77,00,000/-	January 2022	September 2026

#During the year ended 31 March 2022, the Company has started repayment of this loan.

(iii) Working capital facilities from banks as at March 31, 2022 amounting to ₹ 17,627.82 lakhs were secured by a first pari passu charge on the stock of raw materials, finished goods, stock in process, consumable stores and book debts of the Company. These credit facilities carry average interest rates in the range of 5.50% to 9.25% (31 March, 2021: 6.50% to 9.25%).

3 The Company do not have any charges or satisfaction which are yet to be registered with ROC beyond the statutory period except for the additional credit facilities sanctioned during the year to the extent of ₹ 14000 lakhs.

4 There are no material differences between the quarterly statements of stock filed by the company with banks and the books of accounts.

5 The Company has not been declared as a wilful defaulter by any bank or financial institution or other lenders in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

6 Currency and interest exposure of borrowings including current maturities is as below:

	As at 31st March 2022			As at 31st March 2021		
	Fixed Rate	Floating Rate	Total	Fixed Rate	Floating Rate	Total
a) Indian National Rupee (INR) - Total	2,029.97	22,735.38	24,765.36	-	7,137.69	7,137.69
b) United States Dollar (USD) - Total	-	5,729.01	5,729.01	-	7,699.80	7,699.80
	2,029.97	**28,464.40**	**30,494.37**	**-**	**14,837.49**	**14,837.49**
a) Indian National Rupee (INR) - Hedged (interest rate swaps)	-	-	-	-	-	-
b) United States Dollar (USD) - Hedged (interest rate swaps)	-	(5,729.01)	(5,729.01)	-	(7,699.80)	(7,699.80)
	-	**(5,729.01)**	**(5,729.01)**	**-**	**(7,699.80)**	**(7,699.80)**
a) Indian National Rupee (INR) - Unhedged	2,029.97	22,735.38	24,765.36	-	7,137.69	7,137.69
b) United States Dollar (USD) - Unhedged	-	-	-	-	-	-
	2,029.97	**22,735.38**	**24,765.36**	**-**	**7,137.69**	**7,137.69**
% of Total Borrowings	8.20%	91.80%	100.00%	0.00%	100.00%	100.00%

7 All the floating rate borrowings are bank borrowings bearing interest rates based on Marginal Cost of Lending Rate (MCLR), Repo rate and LIBOR. Of the total floating rate borrowings as at March 31, 2022, H 5,729.01 lakhs (March 31, 2021: H 7,699.80 lakhs) have been hedged using interest rate swaps with contracts covering period of more than one year.

8 Of the total floating rate borrowings as at March 31, 2022, H 934.50 lakhs (March 31, 2021: H 1,379.50 lakhs) have been hedged using currency swaps with contracts covering period of more than one year.

Notes to the Standalone Financial Statements for the year ended March 31, 2022

19 Borrowings *(contd...)*

9 Maturity profile of borrowings including current maturities is as below:

Particulars	As at March 31, 2022	As at March 31, 2021
a) Not later than one year or on demand	21,097.02	7,366.07
b) Later than one year but not two years	4,883.51	2,623.10
c) Later than two years but not three years	2,730.09	2,593.10
d) Later than three years but not four years	1,305.48	1,880.21
e) Later than four years but not five years	478.27	375.00
	30,494.37	**14,837.48**

20 lease Liabilities

20A Non-current

(₹ in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Long term maturities of finance lease obligations	21.83	17.72
Total lease liabilities (non-current)	**21.83**	**17.72**

20B Current

(₹ in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Current maturities of finance lease obligations	19.15	28.34
Total lease liabilities (non-current)	**19.15**	**28.34**

Footnotes:

(i) The Company has lease contracts for its office premises and godowns with lease terms between 1 year to 3 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Company is restricted from assigning and subleasing the leased assets. The Company also has certain leases of office premises and godowns with lease terms of 12 months or less. The Company applies the 'short-term lease' recognition exemptions for these leases.

(a) The movement in lease liabilities during the year ended 31 March, 2022 and 31 March, 2021 is as follows: (₹ in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning	46.07	29.92
Additions	25.38	39.16
Accretion of interest	4.14	4.34
Payment of lease liabilities	(34.60)	(27.35)
Balance at the end	**40.97**	**46.07**
Non-current	21.83	17.72
Current	19.15	28.34

(b) The following are the amounts recognised in profit or loss: (₹ in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Depreciation on right-of-use assets	30.52	24.63
Interest expense on lease liabilities	4.14	4.34
Expense relating to short-term leases	47.99	36.99
Total amount recognised in statement of profit and loss	**82.64**	**65.96**

(c) Details of carrying amount of right-of-use assets and movement during the period is disclosed under Note 5.

(ii) The maturity analysis of lease liabilities are disclosed in Note 38C (ii) 'Liquidity Risk Management'.

(iii) The effective interest rate for lease liabilities is 9%, with maturity between 2022-2024.

(iv) Expense relating to short-term leases are disclosed under the head rent in other expenses (Refer Note 32).

Notes to the Standalone Financial Statements for the year ended March 31, 2022

21 Provisions

21A Non-current

(₹ in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision For Employees Benefit		
(a) Provision for Gratuity (Refer note no. 29)	-	83.26
(b) Provision for Leave Salary (Refer note no. 29)	105.19	68.26
Total Provisions (non-current)	**105.19**	**151.52**

21B Current

(₹ in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision For Employees Benefits		
(a) Provision for Gratuity (Refer note no. 29)	28.12	87.68
(b) Provision for Leave Salary (Refer note no. 29)	17.49	27.77
(c) Provision for Bonus	198.97	148.83
Total Provisions (current)	**244.57**	**264.28**

Footnotes:

(i) The Company presents provision for gratuity and leave salaries as current and non-current based on actuarial valuation considering estimates of availment of leave, separation of employees, etc.

(ii) Detailed disclosure in respect of post-retirement defined benefit scheme is provided in note 29.

22 INCOME TAXES

A. Major components of deferred tax liabilities/(assets) arising on account of timing difference:

As at 31st March, 2022

(₹ in lakh)

Particulars	As on 1st April, 2021	Charge / (Credit) to Statement of Profit and Loss	Charge / (Credit) to Other Comprehensive Income	As on 31st March, 2022
(a) Deferred tax liabilities, on account of:				
Difference between WDV of depreciable fixed assets as per the books of accounts and Income Tax Act, 1961	2,108.25	628.72	-	2,736.97
(b) Deferred tax assets, on account of:				
Provision for expenses allowed for tax purpose on payment basis (Net)	(148.33)	10.70	-	(137.63)
Remeasurement of the defined benefit plans through OCI	(11.59)	-	1.94	(9.65)
Difference in carrying value and tax base of investments in equity instruments measured at FVTOCI	27.47	-	10.37	37.84
Difference in Right-of-Use asset and lease liabilities	(1.29)	0.33	-	(0.96)
Deferred tax expense/(benefit) for the year	-	639.75	12.31	-
(c) Net Deferred tax liabilities	1,974.51	-	-	2,626.57

Notes to the Standalone Financial Statements for the year ended March 31, 2022

22 INCOME TAXES *(contd...)*

As at 31st March, 2021 (₹ in lakh)

Particulars	As on 1st April, 2020	Charge / (Credit) to Statement of Profit and Loss	Charge / (Credit) to Other Comprehensive Income	As on 31st March, 2021
(a) Deferred tax liabilities, on account of:				
Difference between WDV of depreciable fixed assets as per the books of accounts and Income Tax Act, 1961	1,354.14	754.11	-	2,108.25
(b) Deferred tax assets, on account of:				
Provision for expenses allowed for tax purpose on payment basis (Net)	(59.10)	(89.23)	-	(148.33)
Remeasurement of the defined benefit plans through OCI	-	-	(11.59)	(11.59)
Difference in carrying value and tax base of investments in equity instruments measured at FVTOCI	140.25	-	(112.78)	27.47
Difference in Right-of-Use asset and lease liabilities	(1.53)	0.24	-	(1.29)
Deferred tax expense/(benefit) for the year	**-**	**665.12**	**(124.37)**	**-**
(c) Net Deferred tax liabilities	**1,433.76**	**-**	**-**	**1,974.51**

B. The major components of Income Tax Expense for the year: (₹ in lakh)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(i) Income tax recognised in the Statement of Profit and Loss		
Current tax:		
For current year	2,840.00	3,080.00
In respect of short tax provision for earlier years	(78.60)	-
Deferred tax:		
For current year	639.75	665.12
Income tax expense recognised in the Statement of Profit and Loss	**3,401.15**	**3,745.12**
(ii) Income tax expense recognised in Other Comprehensive Income		
Current tax:		
Income tax on net gain on liquidation of investments in equity instruments through OCI	-	(263.00)
Deferred tax:		
Income tax (expense) /benefit on remeasurement of defined benefit plans	1.94	(11.59)
Income tax benefit/(expense) on net fair value gain on investments in equity instruments through OCI	(112.78)	(112.78)
Income tax benefit / (expense) recognised in OCI	**(110.84)**	**(387.37)**

Notes to the Standalone Financial Statements for the year ended March 31, 2022

22 INCOME TAXES *(contd...)*

C. Reconciliation of tax expense and accounting profit for the year:

(₹ in lakh)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Profit before tax	13,694.97	15,204.30
Income tax expense calculated at 25.168%	3,446.75	3,826.62
Tax effect on non-deductible expenses	1,734.20	631.29
Effect of concessions (depreciation under income tax act)	(1,355.59)	(1,002.29)
Effect of Income which is taxed at special rates	(0.27)	(0.99)
Effect of Income which is exempted from tax	(56.71)	(376.28)
Others	(928.38)	1.66
Total	**2,840.00**	**3,080.00**
Adjustment of tax relating to earlier periods	(78.60)	-
Tax expense as per Statement of Profit and Loss	**2,761.40**	**3,080.00**

Footnote: The tax rate used for reconciliation above is the corporate tax rate of 25.168% payable by corporate entities in India on taxable profits under Indian tax law. This rate is applicable subject to certain conditions, including that the total income should be computed without claiming specific deductions or exemptions.

23 Trade payables (current)

(₹ in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Trade & Non-Trade Payables		
(a) Total Outstanding Dues of Micro enterprises and Small Enterprises	85.11	132.32
(b) Total Outstanding dues of Creditors other than Micro enterprises and small enterprises	12,620.80	10,286.35
Total Trade Payables (current)	**12,705.91**	**10,418.67**

Footnotes:

(i) Trade payables ageing:

As at 31 March, 2022

(₹ in lakh)

	Outstanding for the following periods from due date of payment						Total
	Unbilled	Not Due	< 1 year	1 Year - 2 Years	2-3 Years	> 3 Years	
(i) MSME	-	85.11	-	-	-	-	85.11
(ii) Others	-	8,321.35	4,206.99	84.76	4.74	2.96	12,620.80
(iii) Disputed Dues - MSME	-	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-	-
	-	**8,406.46**	**4,206.99**	**84.76**	**4.74**	**2.96**	**12,705.91**

As at 31 March, 2021

(₹ in lakh)

	Outstanding for the following periods from due date of payment						Total
	Unbilled	Not Due	< 1 year	1 Year - 2 Years	2-3 Years	> 3 Years	
(i) MSME	-	132.32	-	-	-	-	132.32
(ii) Others	-	3,711.11	5,613.74	950.47	1.42	9.60	10,286.35
(iii) Disputed Dues - MSME	-	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-	-
	-	**3,843.44**	**5,613.74**	**950.47**	**1.42**	**9.60**	**10,418.67**

Notes to the Standalone Financial Statements for the year ended March 31, 2022

23 Trade payables (current) *(contd...)*

(ii) Disclosures under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (as amended)

Particulars	As at March 31, 2022	As at March 31, 2021
(i) (a) Principal amount remaining unpaid to any supplier	85.11	132.32
(b) Interest on (i)(a) above	-	-
(ii) The amount of interest paid along with the principal payment made to the supplier	-	-
(iii) Amount of interest due and payable on delayed payments	-	-
(iv) Amount of further interest remaining due and payable for the earlier years	-	-
(v) Total outstanding dues of Micro and Small Enterprises	-	-
- Principal	85.11	132.32
- Interest	-	-

24 Other Financial Liabilities (current)

(₹ in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Creditors for Capital Goods	1,058.91	1,906.00
(b) Unclaimed Dividends	3.39	3.40
(c) Redeemable Preference Shares	-	38.40
(d) Salaries and Wages Payable	189.53	172.22
(e) Outstanding Expenses	285.61	319.29
Total Other Financial Liabilities (current)	**1,537.45**	**2,439.31**

a. There is no amount due and outstanding to be credited to Investor Education and Protection Fund as at March 31, 2022.

b. Redeemable Non Cumulative Preference Shares (RNPS): The Company has redeemed the RNPS during the year at its face value.

25 Other Current Liabilities

(₹ in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Statutory Dues	122.72	139.00
(b) Revenue Received in Advance	97.18	56.85
Total Other Current Liabilities	**219.90**	**195.85**

26 Revenue from operations

(₹ in lakh)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a) Sale of Manufactured Products	86,681.46	50,055.81
(b) Sale of Traded Products	1,878.14	1,654.47
(c) Sale of Services	6,285.13	5,713.58
Total revenue from operations	**94,844.73**	**57,423.86**

Footnotes:

(a) **Disaggregate revenue information**

Refer Note 35 for disaggregated revenue information. The management determines that the segment information reported is sufficient to meet the disclosure objective with respect to disaggregation of revenue under Ind AS 115 "Revenue from contracts with customers".

(b) In case of Domestic Sales, payment terms range from 60 days to 100 days based on geography and customers. In case of Export Sales these are either against documents at sight, documents against acceptance or letters of credit - 60 days to 120 days. There is no significant financing component in any transaction with the customers.

(c) The Company does not provide performance warranty for products, therefore there is no liability towards performance warranty.

(d) The Company does not have any remaining performance obligation as contracts entered for sale of goods are for a shorter duration.

Notes to the Standalone Financial Statements for the year ended March 31, 2022

27 Other Income

(₹ in lakh)

Particulars		Year ended March 31, 2022	Year ended March 31, 2021
(a)	**Interest Income**		
	Investments in debt instruments measured at fair value through OCI	1.33	1.33
	Other financial assets carried at amortised cost	10.86	29.82
		12.20	**31.16**
(b)	**Dividend Income**		
	Dividends from quoted equity investments measured at fair value through OCI	1.08	3.34
		1.08	**3.34**
(c)	**Other Non-operating Income**		
	Profit on Investment in Subsidiaries	225.34	1,495.06
	Export Benefits	141.32	11.18
	Sale of Scrap	160.03	47.37
	Miscellaneous Expenses	12.72	101.56
		539.41	**1,655.18**
(d)	**Other Gains and Losses**		
	Net gain on sale of property, plant and equipment	3.45	0.27
		3.45	**0.27**
Total other income		**556.13**	**1,689.95**

28A Cost of Materials Consumed

(₹ in lakh)

Particulars		Year ended March 31, 2022	Year ended March 31, 2021
(a)	**Raw Materials Consumed**		
	Opening Stock (including goods-in-transit)	3,784.65	2,409.33
	Add: Purchases	62,481.66	29,025.35
		66,266.31	**31,434.68**
	Less: Closing Stock (including goods-in-transit)	4,687.00	3,784.65
		61,579.31	**27,650.03**
(b)	**Packing Materials Consumed**		
	Opening Stock	48.38	63.80
	Add: Purchases	1,308.01	945.53
		1,356.39	**1,009.33**
	Less: Closing Stock	84.23	48.38
		1,272.15	**960.95**
Total cost of materials consumed		**62,851.47**	**28,610.99**

28B Purchase of Stock in Trade

(₹ in lakh)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Purchases of stock-in-trade	1,708.65	1,539.45
Total Purchases of Stock-in-Trade	**1,708.65**	**1,539.45**

Notes to the Standalone Financial Statements for the year ended March 31, 2022

28A Cost of Materials Consumed *(contd...)*

28C Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress

(₹ in lakh)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Stock at the beginning of the year		
Finished Goods (including goods-in-transit)	2,172.29	993.81
Work-in-Progress	325.50	533.58
Total	**2,497.79**	**1,527.39**
Stock at the end of the year		
Finished Goods (including goods-in-transit)	3,165.35	2,172.29
Work-in-Progress	1,374.32	325.50
Total	**4,539.66**	**2,497.79**
(Increase)/decrease in inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	**(2,041.88)**	**(970.40)**

29 Employee Benefits Expenses

(₹ in lakh)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a) Salaries and wages	2,827.43	2,289.15
(b) Contribution to provident and other funds	238.61	162.51
(c) Staff welfare expenses	341.26	216.38
Total employee benefits expenses	**3,407.30**	**2,668.04**

A. Post-employment benefits

(i) Provident Fund (defined contribution plan)

The company has certain defined contribution plans. Contributions are made to provident fund for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognized during the period towards defined contribution plan are ₹ 155.42 lakhs (PY ₹ 122.05 lakhs).

(ii) Retirement Gratuity (defined benefit plans)

The company provides for gratuity for employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees' last drawn basic salary per month computed proportionately for 15 days salary multiplied by number of years of service. The gratuity plan is a funded plan and the company makes contributions to recognised funds in India. The company maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

Aforesaid post-employment benefit plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk, salary risk and longevity risk.

(i) Investment risk: The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to government bond yields. If the return on plan asset is below this rate, it will create a plan deficit.

(ii) Interest risk: A decrease in the bond interest rate will increase the plan liability.

(iii) Salary risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in salary of the plan participants will increase the plan's liability.

Notes to the Standalone Financial Statements for the year ended March 31, 2022

29 Employee Benefits Expenses *(contd...)*

(iv) Longevity risk: The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Details of defined benefit obligations and plan assets (Gratuity)

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows :

(₹ in lakh)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Change in defined benefit obligations:		
Obligation at the beginning of the year	298.01	229.64
Current service cost	35.47	26.46
Past Service Cost	17.26	-
Interest costs	20.65	15.66
Remeasurement (gain)/loss	7.16	51.43
Benefits paid	(13.91)	(25.18)
Obligation at the end of the year	**364.64**	**298.01**

(₹ in lakh)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Change in plan assets:		
Fair value of plan assets at the beginning of the year	127.07	132.01
Interest income	8.81	9.00
Return on Plan Assets, Excluding Interest Income	2.04	(4.52)
Employers' contribution	210.00	12.33
Benefits paid	(11.39)	(21.76)
Fair value of plan assets at the end of the year	**336.52**	**127.07**

Amounts recognised in the balance sheet consist of: (₹ in lakh)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Present Value of Obligation	364.64	298.01
Fair Value of Plan Assets	(336.52)	(127.07)
	28.12	**170.94**
Recognised as:		
Provision for Gratuity (non-current)	-	83.26
Provision for Gratuity (current)	28.12	87.68

Notes to the Standalone Financial Statements for the year ended March 31, 2022

29 Employee Benefits Expenses *(contd...)*

Expense/(gain) recognised in the statement of profit and loss consists of: (₹ in lakh)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Employee benefits expenses:		
Current service cost	35.47	26.46
Past Service Cost	17.26	-
Net interest expense	11.85	6.66
	64.57	**33.12**
Other comprehensive income		
Return on Plan Assets, Excluding Interest Income	(2.04)	4.52
Actuarial (Gains)/Losses on Obligation For the Period	7.16	51.43
	5.12	**55.95**
Expense/(gain) recognised in the statement of profit and loss	**69.68**	**89.07**

The major categories of plans assets are as follows: (₹ in lakh)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Asset category		
Insurance fund	336.52	127.07
Total	**336.52**	**127.07**

Key assumptions used in the measurement of retiring gratuity are as below: (₹ in lakh)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Financial Assumptions:		
Discount Rate	7.31%	6.93%
Rate of escalation in Salary	5.50%	5.50%
Demographic Assumptions:		
Rate of Employee Turnover	3.00%	3.00%
Mortality Rate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate

Maturity profile of defined benefit obligation (₹ in lakh)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
1st following year	77.39	53.75
2nd following year	10.82	9.42
3rd following year	14.71	14.15
4th following year	45.80	12.51
5th following year	25.03	42.93
Sum of year 6 To 10	115.38	105.15
Sum of years 11 and above	563.68	429.97

Notes to the Standalone Financial Statements for the year ended March 31, 2022

29 Employee Benefits Expenses *(contd...)*

Sensitivity analysis for significant assumptions: (₹ in lakh)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Defined Benefit Obligation on Current Assumptions	364.64	298.01
Delta Effect of +1% Change in Rate of Discounting	(27.42)	(23.36)
Delta Effect of -1% Change in Rate of Discounting	32.58	27.68
Delta Effect of +1% Change in Rate of Salary Increase	32.85	27.80
Delta Effect of -1% Change in Rate of Salary Increase	(28.10)	(23.86)
Delta Effect of +1% Change in Rate of Employee Turnover	3.83	2.36
Delta Effect of -1% Change in Rate of Employee Turnover	(4.63)	(2.87)

Footnotes:

(i) The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

(ii) The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

(iii) Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

(iv) There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

(v) The Company is expected to contribute ₹ 75.58 lakhs to defined benefit plan obligations funds for the year ended March 31, 2023.

(vi) Expected return on assets is determined by multiplying the opening fair value of the plan assets by the expected rate of return determined at the start of the annual reporting period, taking account of expected contributions & expected settlements during the reporting period.

(vii) The Weighted Average Duration of the Plan works out to 10 years.

(viii) Asset Liability matching strategy:

The money contributed by the Company to the Gratuity fund to finance the liabilities of the plan has to be invested. The trustees of the plan have outsourced the investment management of the fund to an insurance Company. The insurance Company in turn manages these funds as per the mandate provided to them by the trustees and the asset allocation which is within the permissible limits prescribed in the insurance regulations. Due to the restrictions in the type of investments that can be held by the fund, it is not possible to explicitly follow an asset liability matching strategy. There is no compulsion on the part of the Company to fully prefund the liability of the Plan.

B. Other long-term employee benefits

Annual Leave and Sick Leave

The liability towards compensated absences (annual leave and sick leave) for the year ended 31st March, 2022 based on actuarial valuation carried out by using Projected Accrued Benefit Method resulted in increase in liability by ₹ 26.65 lakhs. (FY 2021-22: increased by ₹ 82.66 lakhs).

Notes to the Standalone Financial Statements for the year ended March 31, 2022

29 Employee Benefits Expenses *(contd...)*

(a) Financial Assumptions (₹ in lakh)

Particulars	Year ended March 31, 2022
Discount Rate	7.31%
Salary increases allowing for Price inflation	5.50%

(b) Demographic Assumptions

Particulars	Year ended March 31, 2022
Mortality	Indian Assured Lives Mortality (2012-14) Ultimate
Employee Turnover	3.00%
Leave Availment Ratio	2.00%

30 Finance Costs

(₹ in lakh)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest expense:		
(a) on borrowings from banks and others	631.25	344.29
(b) on lease obligations	4.14	4.34
Total finance costs	**635.38**	**348.63**

Footnotes:

(a) Finance costs incurred on various projects being qualifying assets are capitalised in accordance with Ind AS 23.

(b) On adoption of Ind AS 116 Leases, the Company has recognised Right-of-Use assets and created lease obligation representing present value of future minimum lease payments. Unwinding of such obligation is recognised as interest expense.

31 Depreciation, Amortisation and Impairment Expenses

(₹ in lakh)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a) Depreciation/Impairment on Property, Plant and Equipment	2,698.92	1,557.03
(b) Depreciation on Right-of-use assets	30.52	24.63
(c) Amortisation/Impairment of Goodwill	-	281.59
Total depreciation, amortisation and impairment expenses	**2,729.44**	**1,863.24**

Notes to the Standalone Financial Statements for the year ended March 31, 2022

32 Other Expenses

(₹ in lakh)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a) Consumption of stores and spares	907.10	646.80
(b) Consumption of power & steam	2,379.65	1,961.42
(c) Freight and handling charges	974.07	590.88
(d) Repairs to plant & machinery	1,775.07	1,394.85
(e) Environmental health and safety expenses	1,357.39	1,094.38
(f) Labour charges	1,302.20	1,016.73
(g) Safety & Security Charges	94.41	37.35
(h) Laboratory charges	42.45	19.29
(i) Loading & Unloading Charges	487.29	310.70
(j) Foreign exchange loss (net)	121.31	14.21
(k) Freight & Forwarding Charges	779.68	542.42
(l) Export Expenses	84.74	35.86
(m) Provision for Bad and Doubtful Debts	21.00	94.52
(n) Commission and Incentives on sales	72.51	71.00
(o) Sundry balances written-off	25.88	19.88
(p) Director Sitting Fees	4.95	2.96
(q) Corporate Social Responsibility (refer footnote (b) below)	337.15	280.38
(r) Legal & Professional Fees	296.82	319.90
(s) Auditor's Remuneration (refer footnote (a) below)	10.15	8.95
(t) Insurance charges	214.77	135.51
(u) Water & Drainage Charges	152.06	107.40
(v) Boiler operating charges	711.29	403.11
(w) Rates & Taxes	79.31	51.78
(x) Listing Fees	3.83	176.35
(y) Miscellaneous expenses	180.45	512.93
Total other expenses	**12,415.53**	**9,849.55**

Footnotes:

(a) Details of payments to Auditors (excluding GST)

(₹ in lakh)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Payment to Auditors		
(a) for Statutory Audit	9.50	8.75
(b) for Other Services - Certification	0.51	0.10
(c) for Out of Pocket Expenses	0.14	0.10
Total payment to auditors	**10.15**	**8.95**

Notes to the Standalone Financial Statements for the year ended March 31, 2022

32 Other Expenses *(contd...)*

(b) Corporate Social Responsibility

(₹ in lakh)

Particulars		Year ended March 31, 2022	Year ended March 31, 2021
(A)	**Gross amount required to be spent by the Company during the year**	324.95	240.41
(B)	**Amount approved by the Board to be spent during the year**		
	Construction / acquisition of any asset	-	-
	On purposes other than above	337.23	280.38
	Total		
(C)	**Amount spent during the year**		
	Construction / acquisition of any asset	-	-
	On purposes other than above	337.23	280.38
	Total		
(D)	**Details of ongoing project and other than ongoing project**		
(i)	**In case of Section 135(6) (ongoing project)**		
	Opening Balance - With Company	-	-
	- In Separate CSR Unspent A/c	-	-
	Amount required to be spent during the year	-	-
	Amount spent during the year - From Company's bank A/c'	-	-
	- From Separate CSR Unspent A/c	-	-
	Closing Balance - With Company	-	-
	- In Separate CSR Unspent A/c	-	-
(ii)	**In case of Section 135(5) (other than ongoing project)**		
	Opening Balance	(39.97)	-
	Amount deposited in Specified Fund of Sch. VII within 6 months	-	-
	Amount required to be spent during the year	324.95	240.41
	Amount spent during the year	337.15	280.38
	Closing balance (Excess spent)	(52.17)	(39.97)
(E)	**Details related to spent / unspent obligations :**		
(i)	Education and skill Development	123.66	44.00
(ii)	Covid-19 Relief	92.36	219.97
(iii)	Livestock Development	14.15	-
(iv)	Medical Grants, Healthcare Facilities	37.45	-
(v)	Rural and socially backward society Development	0.98	5.00
(vi)	Tribal Welfare	50.00	-
(vii)	Water Management-Conservation	1.72	-
(viii)	Women Empowerment And Livelihood	15.00	-
(ix)	Green Environment Project	0.83	4.63
(ix)	Health Care	1.00	6.00
(x)	Food Welfare	-	0.45
(xi)	General Welfare Activities	-	0.33
(xii)	Unspent amount in relation to:		
	- Ongoing projects	-	-
	- Other than ongoing projects	-	-

Notes to the Standalone Financial Statements for the year ended March 31, 2022

33 EARNING PER SHARE (EPS):

	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a)	Net Profit available for Equity Shareholders	10,293.82	11,459.17
(b)	No. of Equity Shares as per financial statement	2,71,53,488	2,71,53,488
(c)	Weighted average number of Equity Shares for Basic Earnings Per Share* (nos.) (Previous year numbers include Bonus Shares issued during current year)	2,71,53,488	2,56,43,830
(d)	Weighted average number of Equity Shares for Diluted Earnings Per Share** (nos.) (Previous year numbers include Bonus Shares issued during current year)	2,79,64,610	2,79,64,610
(e)	Basic Earnings Per Share (in ₹)	37.91	44.69
(f)	Diluted Earnings Per Share (in ₹)	36.81	40.98

Footnotes:

(a) Basic EPS is calculated by dividing profit for the year attributable to equity shareholders of the Company by the weighted average number of Equity shares outstanding during the year.

(b) Diluted EPS amounts are calculated by dividing the profit attributable to equity shareholders of the Company 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.

(c) Number of Shares for Computation of EPS (₹ in lakh)

Particulars	March 31, 2022	March 31, 2021
Basic EPS (in Nos)		
Existing (Nos)	2,71,53,488.00	1,21,49,218.00
Optionally Convertible Preference Shares converted to Equity*	-	14,27,526.00
Total Number of shares after conversion	**2,71,53,488.00**	**1,35,76,744.00**
Bonus Issue during the year	-	1,35,76,744.00
Total Number of shares after Bonus issue	**2,71,53,488.00**	**2,71,53,488.00**
Weighted average number of Equity Shares	**2,71,53,488.00**	**2,56,43,830.37**
Diluted Earnings Per Share (in Nos)		
Existing (Nos)	2,79,64,610.00	1,21,49,218.00
Optionally Convertible Preference Shares convert to Equity	-	14,27,526.00
Total Number of share	**2,79,64,610.00**	**1,35,76,744.00**
OCPS (Pending for Conversion to equity) **	-	4,05,561.00
Bonus issue during the year	-	1,39,82,305.00
Total Number of share after Bonus issue	**2,79,64,610.00**	**2,79,64,610.00**
Weighted average number of Equity Shares	**2,79,64,610.00**	**2,79,64,610.00**

* Holders of 14,27,526 Optionally Convertible Preference Share opted to convert their holding into equity shares and accordingly were allotted equity shares on 11.10.2020. The Basic EPS for the year ended 31-03-2021 has been accordingly arrived at by dividing the Profit by the weighted average number of equity shares.

** Pursuant to the scheme of arrangement with Amarjyot Chemical Limited, OCPS was supposed to be converted into equity shares or into Redeemable Preference Shares (RPS) before February 2022. However, on obtaining consent from OCPS shareholders for conversion into equity shares, the Company filed application on November 23, 2021. Pending formal approval from the regulator, the Board of Directors has approved extension in timeline for such conversion in its meeting held on 30 April 2022. Considering this, for purpose of diluted EPS it is assumed that OCPS shares will be converted into equity shares. Diluted EPS figures have been calculated after assuming remaining 4,05,561 OCPS being converted into equity shares and eligible to receive Bonus equity shares in the ratio of 1:1.

Notes to the Standalone Financial Statements for the year ended March 31, 2022

34 Contingent Liabilities and Commitments (To the extent not provided for)

(a) Contingent Liabilities

(₹ in lakh)

Particulars	March 31, 2022	March 31, 2021
Claims against the Company not acknowledged as debts		
(i) GST matters	131.33	111.98
(ii) Income tax matters	2,551.94	121.68
(iii) Labour laws related matters (ESIC)	3.46	3.46
(iv) Stamp Duty	199.87	-
(v) Bank Guarantees issued against the notices received from Statutory Authorities.	3.50	-
Total	**2,890.11**	**237.12**

(b) Commitments

(₹ in lakh)

Particulars	March 31, 2022	March 31, 2021
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	1,285.82	1,065.00
Total	**1,285.82**	**1,065.00**

35 Segment Information

The operating segments have been reported in a manner consistent with the internal reporting provided to the Board of Directors, who are the Chief Operating Decision Makers (CODM). The board is responsible for allocating resources and assessing the performance of operating segments. Accordingly, the reportable segment is only one segment i.e. Chemicals.

(a) Revenue from Type of Products and Services

There is only one operating segment of the Company which is based on nature of product. Hence the revenue from external customers shown under geographical information is representative of revenue based on products and services.

(b) Geographical Information

(₹ in lakh)

Particulars	March 31, 2022	March 31, 2021
Segment Revenue - External Turnover		
Within India (include Deemed Export)	89,468.45	50,331.64
Outside India	5,376.28	7,092.22
Total	**94,844.73**	**57,423.86**
Non-Current Assets*		
Within India	62,017.73	53,277.72
Outside India	-	-
Total	**62,017.73**	**53,277.72**

* includes property plant and equipment, intangible assets, capital work-in-progress and other non-financial non-current assets.

(c) Information about major customers

Ind As 108 Segment Reporting Requires Disclosure of major customers if revenue from transactions with single external customer amounts to 10 per cent or more of company's total revenue. Company's total Revenue of ₹ 94,844.73 Lakhs (FY 2020-21: ₹ 57,423.86 Lakhs) includes sales of ₹ 21,333.62 Lakhs (FY 2020-21: ₹ 13,765.97 Lakhs) to two large customers (FY 2020-21: one large customer) with whom the company is having long standing Relationship.

Notes to the Standalone Financial Statements for the year ended March 31, 2022

36 Related Party Transactions

Disclosure on Related Party Transactions as required by Ind AS 24 - Related Party Disclosures is given below:

(a) Subsidiaries (where control exists):

(₹ in lakh)

Name of the entity	Country of Incorporation	% of Holding as at 31.03.2022	% of Holding as at 31.03.2021
(i) Valiant Speciality Chemical Limited	India	100.00%	100.00%
(ii) Dhanvallabh Ventures LLP	India	73.15%	73.15%
(iii) Valiant laboratories limited (Through Dhanvallabh Ventures LLP as a partner)	India	62.50%	68.50%

(b) Key Managerial Personnel:

Name	Designation
Mr. Arvind K. Chheda	Managing Director & Chief Executive Officer
Mr. Vishnu J. Sawant	Whole Time Director
Mr. Mahek M. Chheda	Whole Time Director & Chief Financial Officer (w.e.f. 26.05.2021)
Mr. Mahesh M. Savadia	Whole Time Director
Mr. Dinesh S. Shah	Whole Time Director
Mr. Bijal D. Modi	Whole Time Director
Mr. Sathiababu Krishnan Kallada	Non-Executive Director
Mr. D S Galpalli	Non-Executive Director (up to 14.08.2021)
Mr. Velji K. Gogri	Independent Director
Mr. Mulesh M. Savla	Independent Director
Mr. Dhirajlal D. Gala	Independent Director
Mrs. Jeenal K. Savla	Independent Director
Mr. Kirit H. Desai	Non-Executive Director (w.e.f. 14.08.2021)
Mr. Piyush Lakhani	Chief Financial Officer (up to 25.05.2021)
Mrs. Vyoma Vyas	Company Secretary (up to 04.09.2021)
Ms. Avani Lakhani	Company Secretary (w.e.f. 28.10.2021)

(c) Close family members of Key Managerial Personnel who are under the employment of the Company:

(i) Mr. Pankaj S. Shah
(ii) Mr. Siddharth D. Shah
(iii) Mr. Shevantilal P. Shah
(iv) Mr. Nemin M. Savadia

(d) Other entities where significant influence exists:

(i) Post employment-benefit plan entities:
- Abhilasha Tex Chem P. Ltd. Gratuity Trust
- Valiant Organics Limited Gratuity Trust
- Amarjyot Chemicals P. Limited Gratuity Trust

(ii) Other:
- Shanti Intermediates Pvt. Ltd.
- Dinesh Dyestuff Industries
- Alchemie Speciality Chemicals Pvt. Ltd.

Compensation of key management personnel of the Company:

(₹ in lakh)

Particulars	March 31, 2022	March 31, 2021
(i) Short-term employee benefits	207.90	213.80
(ii) Post-employment benefits	-	20.60
(iii) Director Sitting fees	4.95	2.96
Total compensation paid to key management personnel	**212.85**	**237.36**

Notes to the Standalone Financial Statements for the year ended March 31, 2022

36 Related Party Transactions *(contd...)*

Details of transactions with and balances outstanding of subsidiaries:

(₹ in lakh)

Name of related party	Nature of transaction	March 31, 2022 Transaction value	March 31, 2022 Outstanding amount	March 31, 2021 Transaction value	March 31, 2021 Outstanding amount
Valiant Speciality Chemical Limited	Equity Investment	-	25.00	-	25.00
	Unsecured Loan Given	(2.47)	-	2.47	2.47
Dhanvallabh Ventures LLP	Investment (Partner's Fix Capital)	-	0.37	0.04	0.37
	Investment (Partner's Current Capital)	835.94	4,985.07	1,000.00	3,923.79
	Share in Gain/(Loss) of Subsidiary	225.34	N.A.	1,495.06	N.A.
Valiant laboratories limited	Revenue from Sale of Products	9,175.50	4,445.98	326.02	233.15

Details of transactions with and balances outstanding of Key Managerial Personnel (KMP) / Close Family Members of Key Managerial Personnel:

(₹ in lakh)

	Nature of transaction	March 31, 2022 Transaction value	March 31, 2022 Outstanding amount	March 31, 2021 Transaction value	March 31, 2021 Outstanding amount
Mr. Arvind K. Chheda	Remuneration	29.70	2.50	27.00	2.00
	Commission on Profit	68.46	33.46	75.39	73.39
Mr. Vishnu J. Sawant	Remuneration	20.40	1.53	19.20	1.20
Mr. Mahek M. Chheda	Remuneration	19.80	1.00	18.00	3.00
Mr. Mahesh M. Savadia	Remuneration	14.73	0.74	13.02	0.53
Mr. Dinesh S. Shah	Remuneration	13.38	0.43	12.19	2.04
Mr. Bijal D. Modi	Remuneration	27.50	1.38	25.00	1.92
Mr. Sathiababu Krishnan Kallada	Director Sitting fees	0.40	-	0.08	-
Mr. D S Galpalli	Director Sitting fees	0.20	-	0.40	-
Mr. Velji K. Gogri	Director Sitting fees	1.15	-	0.60	-
Mr. Mulesh M. Savla	Director Sitting fees	1.05	-	0.64	-
Mr. Dhirajlal D. Gala	Director Sitting fees	0.85	-	0.64	-
Mrs. Jeenal K. Savla	Director Sitting fees	1.00	-	0.60	-
Mr. Kirit H. Desai	Director Sitting fees	0.30	-	-	-
Mr. Piyush Lakhani	Remuneration	6.00	-	24.00	18.00
Mrs. Vyoma Vyas	Remuneration	3.56	-	-	-
Ms. Avani Lakhani	Remuneration	4.38		-	-
Mr. Pankaj S. Shah	Remuneration	14.88	0.43	13.52	1.04
Mr. Siddharth D. Shah	Remuneration	16.13	0.43	13.52	1.04
Mr. Shevantilal P. Shah	Remuneration	-	-	1.71	
Mr. Nemin M. Savadia	Remuneration	6.23	0.30	6.04	0.32

Details of transactions with and balances outstanding of Entities Controlled/Significantly influenced by Directors/ Close Family Members of Directors:

(₹ in lakh)

Name of related party	Nature of transaction	March 31, 2022 Transaction value	March 31, 2022 Outstanding amount	March 31, 2021 Transaction value	March 31, 2021 Outstanding amount
Abhilasha Tex Chem P. Ltd. Gratuity Trust	Contribution to the Gratuity Funds	-	53.05	-	51.92
Valiant Organics Limited Gratuity Trust	Contribution to the Gratuity Funds	210.00	236.65	-	31.37
Amarjyot Chemicals P. Limited Gratuity Trust	Contribution to the Gratuity Funds	-	46.83	12.33	43.78
Shanti Intermediates Pvt. Ltd.	Revenue from Sale of Products	643.15	70.46	328.66	52.20
Dinesh Dyestuff Industries	Rent Paid	6.53	-	5.94	-
Alchemie Speciality Chemicals Pvt. Ltd.	Purchase of Goods	1,362.57	-	2,526.90	879.46
	Rent Received	12.00	-	12.00	-
	Revenue from Sale of Products	4,646.54	2,140.33	2,373.67	-

Notes to the Standalone Financial Statements for the year ended March 31, 2022

37 Financial Instruments - Accounting Classification and Fair values

Disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures"

Category-wise classification for applicable financial assets:

(₹ in lakh)

	Current/ Non- Current	March 31, 2022				March 31, 2021			
		Carrying Amount	Fair Value			Carrying Amount	Fair Value		
			Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
Financial Assets									
Financial assets measured at cost									
Investment in Subsidiaries	Non-Current	5,010.44	N.A	N.A	N.A	3,949.15	N.A	N.A	N.A
Financial assets measured at amortised cost									
Security Deposits	Non-Current	521.64	N.A	N.A	N.A	523.87	N.A	N.A	N.A
Trade Receivables	Current	25,316.27	N.A	N.A	N.A	11,661.41	N.A	N.A	N.A
Cash on hand	Current	3.78	N.A	N.A	N.A	1.98	N.A	N.A	N.A
Balance with Banks	Current	2,292.80	N.A	N.A	N.A	861.02	N.A	N.A	N.A
Other Fixed Deposits	Current	33.55	N.A	N.A	N.A	315.09	N.A	N.A	N.A
Security Deposits	Current	25.45	N.A	N.A	N.A	19.95	N.A	N.A	N.A
Loans to employees	Current	46.45	N.A	N.A	N.A	42.86	N.A	N.A	N.A
Interest Receivable	Current	6.75	N.A	N.A	N.A	1.58	N.A	N.A	N.A
Other Receivables	Current	-	N.A	N.A	N.A	2.47	N.A	N.A	N.A
		33,257.13				**17,379.39**	**-**	**-**	**-**
Financial assets measured at fair value through other comprehensive income (FVTOCI)									
Investments in Equity Shares	Non-Current	324.54	286.99	-	37.55	233.70	199.90	-	33.79
Investments in Equity Shares	Current	13.82	13.82	-	-	14.02	14.02	-	-
		338.36	**300.81**	**-**	**37.55**	**247.72**	**213.92**	**-**	**33.79**
Total Financial Assets		**33,595.49**	**300.81**	**-**	**37.55**	**17,627.11**	**213.92**	**-**	**33.79**
Financial Liabilities									
Financial liabilities measured at amortised cost									
Long term borrowings - Term Loans from Banks	Non-Current	9,367.35	N.A	N.A	N.A	7,441.42	N.A	N.A	N.A
Unsecured Loans	Non-Current	30.00	N.A	N.A	N.A	30.00	N.A	N.A	N.A
Long-term maturities of lease obligations	Non-Current	21.83	N.A	N.A	N.A	17.72	N.A	N.A	N.A
Short term borrowings - Working capital loans from Banks	Current	21,097.02	N.A	N.A	N.A	7,366.07	N.A	N.A	N.A
Trade Payables									
- Due to Micro, Small and Medium Enterprises	Current	85.11	N.A	N.A	N.A	132.32	N.A	N.A	N.A
- Due to Others	Current	12,620.80	N.A	N.A	N.A	10,286.35	N.A	N.A	N.A
Creditors for Capital Goods	Current	1,058.91	N.A	N.A	N.A	1,906.00	N.A	N.A	N.A
Unclaimed Dividends	Current	3.39	N.A	N.A	N.A	3.40	N.A	N.A	N.A
Redeemable Preference Shares	Current	-	N.A	N.A	N.A	38.40	N.A	N.A	N.A
Current maturities of finance lease obligations	Current	19.15	N.A	N.A	N.A	28.34	N.A	N.A	N.A
Other Current Liabilities	Current	475.15	N.A	N.A	N.A	491.51	N.A	N.A	N.A
Total Financial Liabilities		**44,778.71**	**-**	**-**	**-**	**27,741.53**	**-**	**-**	**-**

Notes to the Standalone Financial Statements for the year ended March 31, 2022

37 Financial Instruments - Accounting Classification and Fair values *(contd...)*

Fair value hierarchy

Level 1 : Hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The mutual funds are valued using the closing NAV.

Level 2 : The fair value of financial instruments that are not traded in an active market 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. This is the case for unlisted equity securities etc. included in level 3.

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) 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 followed is given in the table above.

38 Financial risk management objectives and policies

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's Risk Management framework. The Board has established the Risk Management Committee, which is responsible for developing and monitoring the Company's Risk Management policies. The Committee reports regularly to the Board of Directors on its activities.

The Company's financial assets comprise mainly of investments, cash and cash equivalents, other balances with banks, trade receivables and other receivables and financial liabilities comprise mainly of borrowings, trade payables and other payables.

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Company. The Company uses derivative financial instruments, such as cross currency swaps and interest rate swaps to hedge foreign currency risk and interest rate risk exposure . Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

A. 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 of three types of risks: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk include borrowings, investments, trade payables, trade receivables and derivative financial instruments.

(i) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate due to changes in market interest rates. Company's interest rate risk arises from borrowings.

The following table demonstrates the sensitivity on the Company's profit before tax, to a reasonably possible change in interest rates of variable rate borrowings on that portion of loans and borrowings affected, with all other variables held constant:

Interest Rate Sensitivity

A change of 50 bps in interest rates would have following impact on Profit before Tax

	FY 2021-22	FY 2020-21
50 BPS increase would (decrease) the Profit before Tax by	(113.68)	(35.69)
50 BPS decrease would increase the Profit before Tax by	113.68	35.69

Notes to the Standalone Financial Statements for the year ended March 31, 2022

38 Financial risk management objectives and policies *(contd...)*

(ii) 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 transacts in foreign currencies and consequently the Company is exposed to foreign exchange risk through its sales outside India, and purchases from overseas suppliers in foreign currencies. The company also has borrowings in foregin currency. The exchange rate between the Indian rupee and foreign currencies has changed substantially in recent years and may fluctuate substantially in the future. Consequently, the results of the Company's operations are affected as the rupee appreciates / depreciates against these currencies. Foreign currency exchange rate exposure is partly balanced by purchase of raw materials and services in the respective currencies.

As at the end of the reporting period, the carrying amounts of the material foreign currency denominated monetary assets and liabilities are as follows:

	As at March 2022		As at March 2021	
	Amount in foreign currency - USD	Amount in Rupees- INR	Amount in foreign currency - USD	Amount in Rupees- INR
Liabilities				
United States Dollar (USD)	(97.49)	(7,324.51)	(127.34)	(9,315.38)
	(97.49)	(7,324.51)	(127.34)	(9,315.38)
Assets				
United States Dollar (USD)	27.55	2,087.94	26.27	1,931.24
	27.55	2,087.94	26.27	1,931.24
Net foreign currency denominated monetory liability/(asset) (total)				
United States Dollar (USD)	(69.94)	(5,236.58)	(101.07)	(7,384.14)
Foreign exchange derivatives				
USD (Hedged) - Currency swaps against foreign currency borrowings	(13.97)	(994.74)	(19.38)	(1,379.50)
Net foreign currency denominated monetory liability/(asset) (unhedged)				
United States Dollar (USD)	(55.97)	(4,241.84)	(81.69)	(6,004.64)

Foreign Currency Risk Sensitivity

The following table demonstrates foreign currency sensitivity on unhedged exposure (1% increase / decrease in foreign exchange rates will have the following impact on profit before tax).

	FY 2021-22		FY 2020-21	
	+ 100 BPS	- 100 BPS	+ 100 BPS	- 100 BPS
United States Dollar (USD)	(42.42)	42.42	(60.05)	60.05

(iii) Equity Price Risk

The Company's investments in listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company's Board of Directors reviews and approves all equity investment decisions.

The following table summarises the sensitivity to change in the price of equity securities held by the Company on the Company's Equity and OCI. These changes would not have an effect on profit or loss.

	Impact on other components of equity (OCI)	
	As at 31st March 2022	As at 31st March 2021
5% increase	15.04	10.70
5% decrease	(15.04)	(10.70)

Notes to the Standalone Financial Statements for the year ended March 31, 2022

38 Financial risk management objectives and policies *(contd...)*

B. 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 for trade receivables and deposits with banks and other financial assets. The Company ensures that sales of products are made to customers with appropriate creditworthiness. Outstanding customer receivables are regularly monitored by the management. An impairment analysis is performed at each reporting date on an individual basis for major customers. Credit risk on cash and cash equivalents is limited as the Company generally invests in deposits with banks.

Refer footnotes (d) and (e) below note no. 12 for ageing of trade receivables and movement in credit loss allowance.

C. Liquidity Risk

Liquidity risk is the risk that the Company may not be able to meet its financial obligations without incurring unacceptable losses. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company has obtained fund and non-fund based working capital lines from various banks. Furthermore, the Company have access to undrawn lines of committed borrowing/facilities. The Company invests its surplus funds in bank fixed deposits and in mutual funds, which carry no or low market risk. The company consistently generates sufficient cash flows from operations or from cash and cash equivalents to meet its financial obligations including lease liabilities as and when they fall due.

(i) Financing arrangements

Particulars	March 31, 2022	March 31, 2021
Committed borrowing facilities		
- Amount used	33,065.55	15,737.08
- Amount unused	4,876.58	8,374.12
Total	**37,942.13**	**24,111.20**

(ii) Maturity profile of financial liabilities

	March 31, 2022		
	Less than 1 year	Between 1 to 5 years	Over 5 years
As on 31st March, 2022			
Borrowings	21,097.02	9,397.35	-
Lease Liabilities	19.15	21.83	-
Trade Payables	12,705.91	-	-
Other Financial Liabilities	1,537.45	-	-
	35,359.54	**9,419.18**	**-**
As on 31st March, 2021			
Borrowings	7,366.07	7,471.41	-
Lease Liabilities	28.34	17.72	-
Trade Payables	10,418.67	-	
Other Financial Liabilities	2,439.31	-	-
	20,252.40	**7,489.13**	**-**

Notes to the Standalone Financial Statements for the year ended March 31, 2022

38 Financial risk management objectives and policies *(contd...)*

D. Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity shareholders. The primary objective of the Company's capital management is to maximise the shareholder value, safeguard business continuity and support the growth of the Company. The Company manages its capital structure and makes suitable adjustments in light of changes in economic conditions.

Particulars	March 31, 2022	March 31, 2021
Borrowings - Current and Non-Current	30,494.37	14,837.49
Long-term maturities of Lease obligations	21.83	17.72
Current maturities of Lease obligations	19.15	28.34
Less: cash and cash equivalent	(2,296.58)	(863.00)
Less: other balances with banks	(33.55)	(315.09)
Less: current investments	(13.82)	(14.02)
Net Debts	**28,191.40**	**13,691.43**
Total Equity	60,313.06	50,229.87
% Net debt to equity ratio	**46.74%**	**27.26%**

39 Additional regulatory information required by schedule III to the Companies Act, 2013

(a) The Company does not have any benami property held in its name. No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(b) The Company does not have any transactions or relationships with any companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956.

(c) The Company has complied with the requirement with respect to number of layers as prescribed under section 2(87) of the Companies Act, 2013 read with the Companies (Restriction on number of layers) Rules, 2017.

(d) Utilisation of borrowed funds and share premium:

(i) 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

- Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

(ii) 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:

- 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.

(e) There is no income surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961 (such as search or survey), that has not been recorded in the books of account.

(f) The Company has not traded or invested in crypto currency or virtual currency during the year.

Notes to the Standalone Financial Statements for the year ended March 31, 2022

40 Recent Pronouncements

A. Amendment to Ind AS 109 "Financial Instruments" and Ind AS 107 "Financial Instruments: Disclosures" - Interest rate Benchmark Reform Phase 2

The amendment focuses on the potential financial reporting issues that may arise when interest rate benchmarking reforms are either reformed or replaced. The key reliefs provided by the Phase 2 amendments are:

(a) Changes to contractual cash flows - When changing the basis for determining contractual cash flows for financial assets and liabilities (including lease liabilities), the reliefs have the effect that the changes that are required by an interest rate benchmark reform will not result in an immediate gain or loss in the profit and loss statement.

(b) Hedge accounting - The hedge accounting reliefs will allow most Ind AS 39 or Ind AS 109 hedge relationships that are directly affected by IBOR reform to continue. However, additional ineffectiveness might need to be recorded.

The Company does not expect the amendment to have any significant impact on its financial statements.

B. Amendment to Ind AS 103 "Business Combination" – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103 – Business Combinations. The Company does not expect the amendment to have any significant impact on its financial statements.

C. Amendment to Ind AS 16 "Property, Plant and Equipment" – Proceeds before intended use

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognized in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

D. Code on Social Security, 2020 - Employee benefits during employment and post-employment

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment received Indian Parliament approval and Presidential assent in September 2020. The Code has been published in the Gazette of India and subsequently on November 13, 2020. Draft rules were published and invited for stakeholders' suggestions. However, the date on which the Code will come into effect has not been notified. 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.

Notes to the Standalone Financial Statements for the year ended March 31, 2022

41 Ratio Analysis

(₹ in lakh)

Sr. No.	Ratio	Numerator	Denominator	As at 31st March 2022	As at 31st March 2021	% Change	Reason for variance
1	Current ratio	Current Assets	Current Liabilities = Total current liabilities - Current maturities of non-current borrowings and lease obligations	1.25	1.23	2.02%	Current assets increased on account of Trade Receivables and Cash & equivalents significantly, while current liabilities increased but to a lower extent.
2	Net Debt- Equity ratio	Net debt = Non-current borrowings + Current borrowings + Non-current and current lease liabilities - Current investments - Cash and cash equivalents - Other balances with banks (including non-current earmarked balances)	Average Equity [Equity = Equity share capital + Other equity]	0.47	0.27	71.48%	Borrowings increased significantly (mainly short term borrowings) as compared to average equity increase.
3	Debt Service Coverage ratio	"Earnings for debt service = Net Profit before tax + Non-cash operating expenses (depreciation and amortisation) + Net finance cost + other adjustments like Loss on sale of property, plant and equipment [Net finance cost = Finance costs (excluding interest on current borrowings) - Interest income - Dividend income from current investments - Net gain/(loss) on sale of current investments]"	Debt service = Interest payable & Lease Payments + Principal Repayments of long term borrowings (excluding prepayments)	1.29	1.77	-27.44%	Earnings decreased mainly due to increase in Raw Material Cost while Long Term debt increased as compared to previous year.
4	Return on Equity ratio	Profit after tax	Average total equity [Equity = Equity share capital + Other equity]	18.62%	25.37%	-26.58%	Profits decreased mainly due to increase in costs such as Raw Material Costs, depreciation and other expenses while Average Total Equity also increased as compared to previous year.
5	Inventory Turnover ratio	Cost of goods sold	Average Inventory	8.01	5.76	39.17%	Raw Material Cost increased significantly along with increase in inventory due to market volatility.

Notes to the Standalone Financial Statements for the year ended March 31, 2022

41 Ratio Analysis

(₹ in lakh)

Sr. No.	Ratio	Numerator	Denominator	As at 31st March 2022	As at 31st March 2021	% Change	Reason for variance
6	Trade Receivable Turnover ratio	Revenue from Sale of Products and Services	Average Trade Receivable	5.13	5.05	1.58%	Revenue increased on account of higher pricing & new products as well as Trade receivables.
7	Trade Payable Turnover ratio	"Adjusted Expenses [Adjusted Expenses = Total Expenses - Finance Cost - Depreciation and Amortisation Expense – Employee Benefit Expenses – Other expenses with respect to Rates & Taxes, Provision for Doubtful Debts, Sundry Balances Written-off, CSR and Foreign Exchange Gain/Loss]"	Average Trade Payables	6.43	4.10	56.86%	Raw Material Cost increased much more than the average Trade Payables.
8	Net Capital Turnover ratio	Revenue from Operations	Average Working capital = Current assets – Current liabilities	29.41	18.13	62.17%	Revenue increased on account of higher pricing & new products as compared to increase in average working capital.
9	Net Profit ratio	Profit after tax	Revenue from operations	10.85%	19.96%	-45.61%	Profits decreased mainly due to increase in costs such as Raw Material Costs, depreciation, and other expenses even though the revenue from operations increased.
10	Return on Capital Employed	Earnings before interest and tax	Average Capital Employed [Capital Employed = Total Equity + Total Debt]	18.39%	26.04%	-29.38%	Profits decreased mainly due to increase in costs such as Raw Material Costs, depreciation, and other expenses while Average Capital Employed increased.
11	Return on Investment	Income generated from Investments	Average Investments	6.43%	59.07%	-89.12%	This is mainly due to reconstitution of step-subsidiary from Partnership Firm to a Limited Liability Company since share of profit in subsidiary is recognised in the standalone financials of the holding company only on distribution.

CONSOLIDATED FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To the Members of

Valiant Organics Limited

Report on the Audit of the Consolidated Financial Statements

OPINION

We have audited the accompanying Consolidated Financial Statements of Valiant Organics Limited ("the Holding Company") and its subsidiaries, (the Holding Company and its subsidiaries together referred to as "the Group") which comprise the Consolidated Balance Sheet as at 31 March 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity, for the year then ended and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2022, and their consolidated profit, consolidated total comprehensive income, consolidated cash flows and consolidated changes in equity for the year ended on that date.

BASIS OF OPINION

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's responsibility for the audit of the Consolidated Financial Statements section of our report. We are independent of the Group 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 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 judgement, 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.

Key Audit Matters	Auditor's Response
Valuation, Accuracy, Completeness, and disclosures pertaining to Inventories with reference to Ind AS 2. The Group's inventories consist of raw materials and components, work in progress, finished goods, stores and spares. Refer Note no: 11 of the consolidated financial statements: Inventories of ₹ 11,363.72 lakhs constitute 21.87% of the current assets of the company as at 31 March 2022. Correctness, completeness, and valuation are critical for reflecting true and fair financial results of operations and hence identified as key audit matter.	Our audit approach consisted of the following: - • We assessed the Group's process regarding maintenance of records, valuation and accounting of transactions relating to inventories as per the Indian Accounting Standard. • We have evaluated the design of internal controls relating to recording and valuation of Inventory. • We have carried out substantive audit procedures at financial and assertion level to verify the allocation of overheads to inventory. • We have undertaken physical verification of inventories on test check basis. • We have verified management process of physical verification of inventories and reconciling differences with the books of accounts. • Confirmed adequacy of disclosures in the consolidated financial statements.

INFORMATION OTHER THAN FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the Standalone Financial Statements, Consolidated Financial Statements and our Auditor's Reports thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the 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.

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding 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 Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance (including Other Comprehensive Income), Consolidated Cash Flows and Consolidated Changes in Equity of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors and Management of the companies and other entities included in the Group are responsible for maintenance of 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 judgements and estimates that are reasonable and prudent; and the 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.

In preparing the Consolidated Financial Statements, the respective Board of Directors and Management of the companies and other entities included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors and Management either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors and Management of the companies and other entities included in the Group are also responsible for overseeing the financial reporting process of the Group.

AUDITORS' RESPONSIBILITY FOR THE AUDIT OF 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 a part of an audit in accordance with SAs, we exercise professional judgement 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 and its subsidiary companies, which are companies incorporated in India have 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 use of the going concern basis of accounting by the Management and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group 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 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 matter that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the business activities within the Group, to express an opinion on the Consolidated Financial Statements. We are responsible for direction, supervision, and performance of the audit of the Financial Statements or business activities of such entities included in the Consolidated Financial Statements of which we are the Independent Auditors. For the other entities or business activities included in the Consolidated Financial Statement, which have been audited by other Auditors, such other Auditors remain responsible for the direction, 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 Consolidated 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 and such other entities included in the Consolidated Financial Statements of which we are the Independent Auditors 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

We did not audit the Financial Statements/financial information of 2 subsidiaries, whose Financial Statements reflect total assets of ₹ 25,366 lakhs as at 31 March 2022, total revenue from operations for the year ended of ₹ 29,327.82 lakhs, total net profit for the year of ₹ 3,054.84 lakhs and net cash outflows amounting to ₹ 209.23 lakhs for the year ended on that date, as considered in the Consolidated Financial Statements. These Financial Statements have been audited by other Auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of Sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of such other Auditors. One of the subsidiaries is a non-corporate entity, whose primary financial statements have been prepared under Indian GAAP but the management of Holding Company has passed necessary adjustment entries to align the same with accounting policies of Holding Company, which has been audited by us.

Our opinion on the Consolidated Financial Statements above 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 other Auditors.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. With respect to matters specified in paragraph 3 (xxi) and 4 of the Companies (Auditor's Report) Order, 2020 ("the Order" or "CARO"), issued by the Central Government of India in terms of sub- section (11) of section 143 of the Act, there are no qualifications or adverse remarks in the Companies (Auditor's Report) Order of the subsidiaries which is required to be included in the consolidated financial statements.

2. As required by section 143(3) of the Act, based on our audit, we report, to the extent applicable, 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 purpose of our audit of the aforesaid Consolidated Financial Statements.

   b. In our opinion, proper books of accounts 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.

   c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Changes in Equity dealt with by this report are in agreement with the relevant books of accounts.

   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 31 March 2022 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditors who are appointed under section 139 of the Act of its subsidiary companies, none of the directors of the group companies, is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164 (2) of the Act.

   f. With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate report in "Annexure A".

   g. In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries, the managerial remuneration for the year ended 31 March 2022 has been paid / provided by the Holding Company and its subsidiaries incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act.

   h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

      (i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group (Refer Note no 35 to the Consolidated Financial Statements).

      (ii) The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

      (iii) There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiaries incorporated in India during the year ended 31 March 2022.

      (iv) (a) The management has represented that, to the best of its knowledge and belief, as disclosed in Note no 40 (d) (i) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or its Subsidiaries incorporated in India 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 or its Subsidiaries incorporated in India ("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, as disclosed in Note no. 40 (d) (ii) to the consolidated financial statements, no funds have been received by the Holding Company or its Subsidiaries incorporated in India from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or its Subsidiaries incorporated in India 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; and

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

(v) The Holding Company has not paid any dividend during the year. As stated in note 17F to the standalone financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members of the Holding Company at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend. The Subsidiary Company has not paid /proposed dividend during the year.

For Gokhale & Sathe
Chartered Accountants
Firm Registration Number: 103264W

Tejas Parikh
Partner
Membership Number: 123215
UDIN: 22123215AJSZLK8630

Place: Mumbai
Date: 25 May 2022

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report 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 over financial reporting of the Valiant Organics Limited as on 31 March 2022 in conjunction with our audit of the Consolidated Financial Statements of Valiant Organics Limited (hereinafter referred to as "the Holding Company") and its subsidiaries for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Board of Directors of the Holding Company and its subsidiaries are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective companies 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 policies of the Company, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITOR'S RESPONSIBILITY

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the judgement of the Auditor, 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 over financial reporting of the Holding Company and its subsidiary companies, which are companies incorporated in India.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

The internal financial control over financial reporting of the Company is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with Generally Accepted Accounting Principles. The internal financial control over financial reporting of the Company includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with Generally Accepted Accounting Principles and that receipts and expenditures of the Company are being made only in accordance with authorisations of Management and Directors of the Company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of assets of the Company that could have a material effect on the Financial Statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial controls over financial reporting 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, Holding Company and its subsidiaries have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2022, based on the internal control over financial reporting criteria established by the respective entities to the extent applicable, 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 Gokhale & Sathe
Chartered Accountants
Firm Registration Number: 103264W

Tejas Parikh
Partner
Membership Number: 123215
UDIN: 22123215AJSZLK8630

Place: Mumbai
Date: 25 May 2022

Consolidated Balance Sheet as at March 31, 2022

(₹ in Lakhs)

Particulars	Notes	March 31, 2022	March 31, 2021
I. ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	4	53,026.24	49,669.80
(b) Capital work-in-progress	4	11,160.73	4,589.10
(c) Right to Use assets	5	84.02	64.91
(d) Goodwill	6	-	-
(e) Other Intangible Assets	7	0.18	1.49
(f) Goodwill on consolidation		1,232.76	1,232.76
(g) Financial Assets			
(i) Investments	8A	324.54	233.70
(ii) Other Financial Assets	9A	580.40	583.45
(h) Other non-current assets	10A	113.71	931.32
Total Non-Current Assets		**66,522.60**	**57,306.52**
Current assets			
(a) Inventories	11	11,363.72	7,217.04
(b) Financial Assets			
(i) Investments	8B	456.49	400.06
(ii) Trade Receivables	12	32,093.68	15,677.99
(iii) Cash and Cash Equivalents	13	2,504.68	1,283.34
(iv) Other Balances with Banks	14	2,033.55	1,815.09
(v) Loans	15	46.59	47.41
(v) Other Financial Assets	9B	34.46	21.53
(c) Other Current Assets	10B	2,326.09	3,644.96
(d) Current Tax Assets (Net)	16	1,092.75	216.80
Total Current Assets		**51,952.03**	**30,324.22**
TOTAL ASSETS		**1,18,474.62**	**87,630.74**
II. EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	17	2,715.35	2,715.35
(b) Optionally Convertible Preference Shares	17	40.56	40.56
(c) Other Equity	18	58,559.04	47,471.19
(d) Non Controlling Interests	19	3,575.41	630.13
Total Equity		**64,890.36**	**50,857.23**
LIABILITIES			
Non-Current Liabilities			
(a) Financial Liabilities			
- Borrowings	20A	10,576.85	7,506.53
- Lease Liabilities	21A	54.06	23.67
(b) Provisions	22A	105.19	151.52
(c) Deferred Tax Liabilities (net)	22	2,661.05	2,030.15
Total non-current liabilities		**13,397.15**	**9,711.87**
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	20B	25,680.66	13,296.61
(ii) Lease Liabilities	21B	31.46	47.75
(iii) Trade Payables	24		
A) Total Outstanding Dues of Micro enterprises and Small Enterprises; and		85.11	132.32
B) Total Outstanding dues of Creditors other than Micro enterprises and small enterprises		12,293.72	10,588.29
(iv) Other Financial Liabilities	25	1,614.91	2,526.61
(b) Other Current Liabilities	26	237.47	205.78
(c) Provisions	22B	243.78	264.28
Total Current Liabilities		**40,187.12**	**27,061.65**
TOTAL EQUITY AND LIABILITIES		**1,18,474.62**	**87,630.74**
Notes forming part of the financial statements	1-42		

The accompanying notes are an integral part of the Ind AS financial statements.

Previous year figures have been recasted/restated wherever necessary including those as required in keeping with revised Schedule III amendments.

As per our report of even date.
For Gokhale & Sathe
Chartered Accountants
Firm Regn No.103264W

Tejas Parikh
Partner
M. No. 123215

Place : Mumbai
Date - 25th May, 2022

For and on behalf of the Board of Directors

Mr. Arvind Chheda
Managing Director
DIN: 00299741

Mr. Mahek Chheda
Executive Director & CFO
DIN: 06763870

Avani D. Lakhani
Company Secretary
ICSI M. No. A47118

Consolidated Statement of profit and loss for the year ended March 31, 2022

(₹ in Lakhs except EPS)

	Particulars	Notes	For the year ended March 31, 2022	For the year ended March 31, 2021
I	Revenue from operations	27	1,15,327.11	75,480.77
II	Other income	28	741.75	593.81
III	**Total Revenue (I + II)**		**1,16,068.86**	**76,074.58**
IV	**Expenses**			
	Cost of materials consumed	29A	78,088.75	40,656.70
	Purchase of stock-in-trade	29B	1,708.65	1,539.45
	Changes in inventories of finished goods, stock-in-trade and work-in-progress	29C	(2,255.66)	(983.05)
	Employee benefits expense	30	3,715.99	2,937.67
	Finance costs	31	647.93	499.80
	Depreciation, Amortization and Impairment Expenses	32	2,961.89	2,123.99
	Other expenses	33	13,584.29	10,814.02
IV	**Total Expenses**		**98,451.84**	**57,588.57**
V	**Profit before tax (III - IV)**		**17,617.02**	**18,486.01**
VI	**Tax expense:**			
	Current tax		4,286.21	4,735.19
	(Excess) / Short Provision of earlier year		(78.60)	1.88
	Deferred tax charge / (credit)		618.12	661.92
	Total tax Expense		**4,825.74**	**5,398.99**
VII	**Profit for the year (V - VI)**		**12,791.28**	**13,087.02**
VIII	**Other comprehensive income:**			
	Items that will not be reclassified to profit or loss in subsequent year			
	Re-measurement of the net defined benefit plan (net of taxes)		(22.05)	(44.36)
	Fair value changes of various Financial intruments (net of taxes)		81.63	738.69
VIII	**Total other comprehensive income / (loss) for the year, net of tax**		**59.57**	**694.34**
IX	**Total comprehensive income for the year (VII + VIII) (Total of profit and other comprehensive income for the year)**		**12,850.85**	**13,781.36**
	Profit for the year			
	Attributable to:			
	Non-controlling interests		1,462.90	1,630.64
	Owners of the Parent		11,328.38	11,456.39
	Total other comprehensive income for the year			
	Attributable to:			
	Non-controlling interests		1,456.22	1,630.64
	Owners of the Parent		11,394.64	12,150.72
	Earnings per equity share of ₹ 10/- each (Previous Year: ₹ 10/- each)	34		
	(1) Basic		41.72	44.68
	(2) Diluted		40.51	40.97
	Notes forming part of the financial statements	1-42		

The accompanying notes are an integral part of the Ind AS financial statements.

Previous year figures have been recasted/restated wherever necessary including those as required in keeping with revised Schedule III amendments.

As per our report of even date.
For Gokhale & Sathe
Chartered Accountants
Firm Regn No.103264W

For and on behalf of the Board of Directors

Tejas Parikh
Partner
M. No. 123215

Mr. Arvind Chheda
Managing Director
DIN: 00299741

Mr. Mahek Chheda
Executive Director & CFO
DIN: 06763870

Avani D. Lakhani
Company Secretary
ICSI M. No. A47118

Place : Mumbai
Date - 25th May, 2022

Consolidated Statement of Changes in Equity for the year ended March 31, 2022

A. Equity Share Capital

Current Reporting Period

(₹ in lakh)

Particulars	Balance as on April 1, 2021	Changes in equity share capital during the period	Balance as on 31-03-2022
Ordinary Equity Shares	2,715.35	-	2,715.35
Optionally Convertible Equity Shares (Instruments entirely equity in nature)	40.56	-	40.56
Total	**2,755.90**	**-**	**2,755.90**

Previous Reporting Period

(₹ in lakh)

Particulars	Balance as on April 1, 2020	Changes in equity share capital during the period	Balance as on 3 1-03-2021
Ordinary Equity Shares	1,214.92	1,500.43	2,715.35
Optionally Convertible Equity Shares (Instruments entirely equity in nature)	183.31	(142.75)	40.56
Total	**1,398.23**	**1,357.67**	**2,755.90**

Footnote: Pursuant to the scheme of arrangement with Amarjyot Chemical Limited, OCPS was supposed to be converted into equity shares or into Redeemable Preference Shares (RPS) before February 2022. However, on obtaining consent from OCPS shareholders for conversion into equity shares, the Company filed application on November 23, 2021. Pending formal approval from the regulator, the Board of Directors has approved extension in timeline for such conversion in its meeting held on 30 April 2022.

Consolidated Statement of Changes in Equity for the year ended March 31, 2022

B. Other Equity

(₹ in lakh)

Particulars	Reserve and surplus				Equity instruments through Other Comprehensive Income	Total other equity
	Capital Reserve	Capital Redemption Reserve	General Reserve	Retained earnings		
Balance as at 01st April 2020	**7,846.30**		**2,764.97**	**23,611.25**	**3,135.82**	**37,358.33**
Changes in opening balances pursuant to application of Ind AS				-	-	-
Opening Balance as at 01st April 2020	**7,846.30**		**2,764.97**	**23,611.25**	**3,135.82**	**37,358.33**
Net profit for the year				11,456.39		11,456.39
Fair value changes of various Financial intruments (net off tax)					738.69	738.69
Remeasurement Gain/(Loss) on defined benefit plan (net of tax)				(44.36)		(44.36)
Transfers from Retained earnings to General reserves			1,145.92	(1,145.92)		-
Bonus Issue during the year				(1,357.67)		(1,357.67)
Other Expenses				(1.36)		(1.36)
Amount utilized for Dividend and Dividend Distribution Tax				(678.84)		(678.84)
Transfer to retained earnings on disposal of FVOCI equity instruments				3,660.99	(3,660.99)	-
Balance as at 31st March 2021	**7,846.30**	**-**	**3,910.88**	**35,500.49**	**213.52**	**47,471.19**
Net profit for the year				11,328.38		11,328.38
Transfers from Retained Earnings to Capital Redemption Reserve		38.40		(38.40)		-
Fair value changes of various Financial intruments (net off tax)					81.63	81.63
Remeasurement Gain / (Loss) on defined benefit plan (net off tax)				(22.05)		(22.05)
Stamp Duty paid on Equity share				(300.09)		(300.09)
Balance as at 31st March, 2022	**7,846.30**	**38.40**	**3,910.88**	**46,468.32**	**295.14**	**58,559.04**

1. The accompanying notes are an integral part of the Ind AS financial statements.
2. Previous year figures have been recasted/restated wherever necessary including those as required in keeping with revised Schedule III amendments.
3. Retained Earnings include Remeasurement Loss (net of tax) on Defined Benefit Plans to the extent of ₹ 54.82 Lakhs (PY ₹ 76.87 Lakhs).

C. Notes forming part of the financial statements [Note No. 1 - 42]

As per our report of even date.

For Gokhale & Sathe
Chartered Accountants
Firm Regn No.103264W

Tejas Parikh
Partner
M. No. 123215

Place : Mumbai
Date - 25th May, 2022

For and on behalf of the Board of Directors

Mr. Arvind Chheda
Managing Director
DIN: 00299741

Mr. Mahek Chheda
Executive Director & CFO
DIN: 06763870

Avani D. Lakhani
Company Secretary
ICSI M. No. A47118

Consolidated Statement of Cash Flows for the year ended March 31, 2022

(₹ in lakh)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(A) Cash Flow from Operating Activities		
Profit Before Tax	**17,617.02**	**18,486.01**
Adjustments for:		
Finance Costs	647.93	499.80
Depreciation and Amortization and Impairment Expense	2,961.89	2,123.99
Unrealised foreign exchange (gain) / loss (net)	92.27	47.03
Interest Income	(85.18)	(48.35)
Dividend Income	(1.08)	(3.34)
Gain/(Loss) on disposal of Property, Plant and Equipment (PPE)	0.77	(0.26)
Operating Profit Before Working Capital Changes	**21,233.62**	**21,104.88**
Changes in Working Capital		
Adjustments for (increase) / decrease in operating assets:		
(Increase) / Decrease in Trade Receivables	(16,346.54)	(2,465.59)
(Increase) / Decrease in Inventories	(4,146.69)	(2,730.61)
(Increase) / Decrease Loans	(9.08)	27.61
(Increase) / Decrease other Current Assets	442.92	(1,173.28)
(Increase) / Decrease other non-Current Assets	(511.75)	440.46
Adjustments for increase / (decrease) in operating liabilities:		
Increase / (Decrease) in Trade Payable	1,658.22	1,931.91
Increase / (Decrease) in Provisions	(66.83)	239.90
Increase / (Decrease) in Other Current Liabilities	31.69	14.36
Increase / (Decrease) in Financial Liabilities	(1,325.20)	(1,219.91)
Cash Generated from Operations	**960.37**	**16,169.71**
Income Taxes Paid (net of refunds)	(4,207.62)	(4,660.00)
Net Cash From Operating Activities (A)	**(3,247.25)**	**11,509.71**
(B) Cash Flow From Investing Activities		
Purchase of Property, Plant and Equipment	(12,093.96)	(17,135.12)
(including capital advances and capital work-in-progress)		
Proceeds from disposal of Property, Plant and Equipment	-	3.07
Gain/(Loss) on disposal of Property, Plant and Equipment	3.45	0.26
Investment in Fixed Deposits	(218.46)	(1,312.91)
Interest Income	85.18	48.35
Proceeds from disposal of investments	-	2,533.85
Dividend Income	1.08	3.34
Net Cash from Investing Activities (B)	**(12,222.71)**	**(15,859.16)**
(C) Cash Flow From Financing Activities		
Proceeds/(Repayment) from Short Term Borrowings	8,933.28	4,661.50
Proceeds/(Repayment) from Long Term Borrowings	6,347.88	1,380.95
Proceeds from Issue of Share Capital to Non-Controlling Interests	2,344.07	-
Payment of Lease Liability	14.10	3.20
Payment of Dividend & Tax thereon	-	(678.84)
Interest Paid	(647.93)	(499.80)
Stamp Duty paid on Equity	(300.09)	-
Net Cash Flow from Financing Activities (C)	**16,691.30**	**4,867.01**
Net Increase in Cash and Cash Equivalents (A+B+C)	1,221.35	517.56
Opening Balance of Cash and Cash Equivalents	1,283.34	765.77
Closing Balance of Cash and Cash Equivalents	**2,504.68**	**1,283.34**
Notes forming part of the financial statements [Note No. 1 - 42]		

1. The accompanying notes are an integral part of the Ind AS financial statements.

2. Previous year figures have been recasted/restated wherever necessary including those as required in keeping with revised Schedule III amendments.

Consolidated Statement of Cash Flows for the year ended March 31, 2022

3. Figures in brackets indicate cash outgo.

4. The above Statement of Cash Flows has been prepared under "Indirect Method" set out in Ind AS 7 Statement of Cash Flows.

5. Cash flows from operating activities include ₹ 337.23 lakhs (March 31, 2021: ₹ 280.38 lakhs) being expenses towards Corporate Social Responsibility initiatives.

6. Cash and Cash Equivalents comprises of:

(₹ in lakh)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
a. Cash on Hand	16.02	9.06
b. Balances with Banks	2,488.66	1,274.28
Total	**2,504.68**	**1,283.34**

7. Changes in liabilities arising from financing activities

Particulars	As at 1st April 2021	Cash Flows	Non-Cash Flow Changes				As at 31st March 2022
			Net Addition	Interest Accrued	Forex Loss/ (Gain)	Current/ Non-current classification	
Non-current Financial Liabilities							
- Borrowings	7,506.53	6,347.88			173.21	(3,450.77)	10,576.85
- Lease Liabilities	23.67		64.60		-	(34.21)	54.06
Current Financial Liabilities							-
- Borrowings	13,296.61	8,933.28				3,450.77	25,680.66
- Lease Liabilities	47.75	(54.63)		4.14		34.21	31.46

As per our report of even date.

For Gokhale & Sathe
Chartered Accountants
Firm Regn No.103264W

Tejas Parikh
Partner
M. No. 123215

Place : Mumbai
Date - 25th May, 2022

For and on behalf of the Board of Directors

Mr. Arvind Chheda
Managing Director
DIN: 00299741

Mr. Mahek Chheda
Executive Director & CFO
DIN: 06763870

Avani D. Lakhani
Company Secretary
ICSI M. No. A47118

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

1 CORPORATE INFORMATION

Valiant Organics Limited ("VOL" or "the Company") is a public limited company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). The registered office of the company is located 109, Udyog Kshetra, 1st Floor, Mulund Goregaon Link Road, Mulund (W), Mumbai.

The Company and its subsidiaries are referred to as the Group here under. The Group is engaged in manufacturing and dealing in specialty chemicals and pharma intermediates in India and abroad.

Details of Subsidiaries

Name of Subsidiary	Country of Incorporation	Proportion of Ownership Interest
Valiant Speciality Chemical Limited	India	100%
Dhanvallabh Venture LLP	India	73.15%
Valiant Laboratories Limited (Through Dhanvallabh Ventures LLP as partner)	India	62.50%

2. SUMMARY OF BASIS OF COMPLIANCE, BASIS OF PREPARATION AND PRESENTATION, AND CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGMENTS

2.1 Basis of Compliance

The company's consolidated financial statements have been prepared in accordance with the provisions of the Companies Act, 2013 and the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 issued by Ministry of Corporate Affairs in respect of Section 133 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter. In addition, the guidance notes/ announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied except if compliance with other statutory promulgations require a different treatment.

These Consolidated financial statements have been approved by the Board of Directors at their meeting held on 25th May, 2022.

2.2 Basis of Preparation and Presentation of Financial Statements

The Consolidated Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 ("the Act"). The statement of cash flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash flows".

The disclosure requirements with respect to items in the Balance Sheet and the Statement of Profit and Loss, as prescribed in Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Ind AS and in accordance with guidelines issued by the Securities and Exchange Board of India ("SEBI").

The consolidated financial statements have been prepared on a historical cost basis, except for the following assets and liabilities:

(i) Certain financial instruments measured at fair value (refer accounting policy regarding financial instruments); and

(ii) Employees' Defined Benefit Plan as per actuarial valuation.

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 under current market conditions, regardless of whether that price is directly observable or estimated using another valuation technique.

Basis of Consolidation

The Consolidated Financial Statements comprise the Financial Statements of the Company and its subsidiaries as at the reporting date.

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

Subsidiaries

Subsidiaries include all the entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns through its involvement in the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are consolidated from the date control commences until the date control ceases.

The Consolidated Financial Statements have been prepared on the following basis:

The financial statements of the Company and its Subsidiaries have been consolidated on a line-by-line basis by adding together like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra group transactions and resulting unrealised profits or losses, unless cost cannot be recovered, as per the applicable Indian Accounting Standards. Accounting Policies of the respective subsidiaries are aligned wherever necessary, so as to ensure consistency with the accounting policies that are adopted by the Group under Ind AS.

The results of subsidiaries acquired or disposed during the year are included in the Consolidated Financial Statements from the effective date of acquisition and up to the effective date of disposal, as appropriate.

The Consolidated Financial Statements are presented, to the extent applicable, in accordance with the requirements of Schedule III of the Companies Act, 2013 as applicable to the Company's Standalone Financial Statements.

Non-Controlling Interests ('NCI') in the net assets of the subsidiaries that are consolidated consists of the amount of equity attributable to non-controlling investors at the reporting date.

Goodwill on Consolidation is measured as the excess of the sum of the consideration transferred, the amount of NCI in the subsidiary and any previous interest held by the holding company over the net of acquisition date fair value of identifiable assets acquired and liabilities assumed.

Profit and Loss and each component of OCI are attributed to the equity holders of the holding company and to the NCI, even if this results in the NCI having a deficit balance.

Changes in Ownership Interest

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interest in the subsidiaries. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

When the Group ceases to consolidate because of loss of control, any retained interest in the entity is remeasured to its fair value with the change of subsequent accounting for the retained interest as an associate, joint venture, or financial asset, as appropriate.

Functional & Presentation Currency:

The consolidated financial statements are presented in Indian Rupees, which is the functional currency of the Group and the currency of the primary economic environment in which the Group operates. All values in the financial statements are rounded off to the nearest rupees in lakhs except otherwise indicated.

2.3 Critical Accounting Estimates, Assumptions and Judgments:

The preparation of the consolidated financial statements in conformity with the recognition and measurement principles of Ind AS requires the management to make estimates, assumptions and judgments that affect the reported balances of assets and liabilities, disclosures of contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented along with the accompanying disclosures.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates considering different assumptions and conditions. Estimates and underlying assumptions are reviewed on an ongoing basis. Impact on account of revisions to accounting estimates are recognised in the period in which the estimates are revised, and future periods are affected.

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

The following are the critical estimates, assumptions and judgments that the management has made in the process of applying the Group's accounting policies and that have a significant effect on the amounts recognized in the financial statements:

2.3.i. Provision for Income Tax and Deferred Tax Assets:

The management uses estimates and judgements based on the relevant rulings in the areas of revenue, costs, allowances and disallowances which is exercised while determining the provision for income tax. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. Accordingly, the management exercises its judgement to reassess the carrying amount of deferred tax asset at the end of each reporting period.

2.3.ii. Useful Lives of Property, Plant and Equipment ("PPE"):

Property, plant and equipment represents a significant proportion of the asset base of the Group. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Group's assets are determined by the Management at the time the asset is acquired and reviewed periodically at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

2.3.iii. Defined Benefit Plans (Gratuity):

A liability in respect of defined benefit plans is recognised in the balance sheet and is measured as the present value of the defined benefit obligation at the reporting date less the fair value of the plan's assets and is 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 highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

2.3.iv. Provisions and Contingent Liabilities:

The management estimates the provisions that have present obligations as a result of past events, and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates. The management uses significant judgements to disclose contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the management or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

2.3.v. Provision against Obsolete and Slow-Moving Inventories:

The management reviews the condition of its inventories and makes provision against obsolete and slow-moving inventory items which are identified as no longer suitable for sale or use at each balance sheet date. Management estimates the net realisable value for such inventories based primarily on the latest invoice prices and current market conditions.

2.3.vi. Fair Value Measurement of Financial Instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as market risk, liquidity risk and credit risk.

2.3.vii. Allowance for Credit Losses on Receivables

The management determines the allowance for credit losses based on historical loss experience adjusted to

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

reflect current and estimated future economic conditions. The management considers current and anticipated future economic conditions relating to industries the Group deals with and the countries where it operates.

2.3.viii. Impairment of Non-Financial Assets

The management 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 management 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. 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 other available fair value indicators.

2.3.ix. Leases:

The management evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. The management uses significant judgment in assessing the lease term and the applicable discount rate.

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The management makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any option to extend or terminate the contract will be exercised. In evaluating the lease term, the management considers factors such as any significant improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to the Group's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the management has concluded that no changes are required to lease period relating to the existing lease contracts.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Classification of Current versus Non-Current:

All assets and liabilities in the consolidated financial statements have been classified as current or non-current as per the normal operating cycle of the entities included in the Group up to twelve months.

For the purpose of Consolidated Balance Sheet, an asset is classified as current if:

(i) It is expected to be realised, or is intended to be sold or consumed, in the normal operating cycle; or

(ii) It is held primarily for the purpose of trading; or

(iii) It is expected to realise the asset within twelve months after the reporting period; or

(iv) The asset is a cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

Similarly, a liability is classified as current if:

(i) It is expected to be settled in the normal operating cycle; or

(ii) It is held primarily for the purpose of trading; or

(iii) It is due to be settled within twelve months after the reporting period; or

(iv) The management does not have an unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could result in its settlement by the issue of equity instruments at the option of the counterparty does not affect this classification.

All other liabilities are classified as non-current.

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

3.2 Property, Plant and Equipment (PPE)

PPE is recognised when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The initial cost of PPE comprises its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use less accumulated depreciation and accumulated impairment losses, if any. Cost includes professional fees related to the acquisition of PPE and for qualifying assets, borrowing costs are capitalised in accordance with the Group's accounting policy.

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 item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the Statement of Profit and Loss during the period in which they were incurred.

Long term lease arrangements of land are treated as PPE, in case such arrangements result in transfer of control and the present value of the lease payments is likely to represent substantially all of the fair value of the land.

An item of PPE and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from de-recognition of a PPE 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.

Depreciation methods, estimated useful lives and residual value:

Depreciation is the systematic allocation of the depreciable amount of PPE over its useful life and is provided using straight line method, so as to write-off the cost of the assets (other than freehold land and capital work-in-progress) less their residual values over their useful lives specified in Schedule II to the Companies Act, 2013, or in the case of assets where the useful life was determined by technical evaluation, over the useful life so determined. Depreciation method is reviewed at each financial year end to reflect the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful life and residual values are also reviewed at each financial year end and the effect of any change in the estimates of useful life/residual value is accounted on prospective basis. Depreciation on additions/ disposals is provided on a pro-rata basis i.e. from/ upto the date on which asset is ready for use/ disposed.

The management uses different useful lives than those prescribed in Schedule II to the Act for some of the assets. The useful lives have been assessed based on technical advice, taking into account the nature of the PPE and the estimated usage of the asset on the basis of management's best estimation of obtaining economic benefits from those classes of assets. The estimated useful life is reviewed periodically, with the effect of any changes in estimate being accounted for on a prospective basis.

The management has used the following useful lives to provide depreciation on the following assets:

Particulars	Depreciation
Factory Building	Over a period of 30 years
Plant & Machinery	Over its useful life as technically assessed, i.e over a period of 19 years
Vehicle	Over a period of 10 years
Computers	Over a period of 3 years
Furniture and Fixtures	Over a period of 10 years
Office Equipment	Over a period of 5 years
Leasehold Land	Over the tenure of lease

3.3 Capital Work-in-Progress

Capital Work-in-Progress represents expenditure incurred on capital assets that are under construction or are pending capitalisation and includes project expenses pending allocation. The same is carried at cost, comprising of direct costs, related incidental expenses and attributable borrowing costs. Project expenses pending allocation are apportioned to the PPE of the project proportionately on capitalisation.

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

3.4 Intangible assets

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the assets will flow to the Group and cost of the assets can be measured reliably.

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 cumulative impairment losses. Administrative and other general overhead expenses that are specifically attributable to acquisition of intangible assets are allocated and capitalised as a part of the cost of the intangible assets.

Internally generated intangibles, excluding capitalised development cost, are not capitalised and the related expenditure is charged to the statement of profit and loss in the period in which the expenditure is incurred.

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the management can demonstrate technical and commercial feasibility of making the asset available for use or sale.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an item of intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of such item of intangible asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Amortisation:

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. 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 assets are considered to modify the amortisation period or method, as appropriate, and are treated as change in accounting estimates. 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.

Intangible Assets without finite life are tested for impairment at each Balance sheet date and impairment provision, if any, is debited to profit and loss.

The estimated useful lives of the amortisable intangible assets are as follows:

Particulars	Amortisation
Computer Software	3 years

3.5 Business Combinations and Goodwill:

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the management elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognised at their acquisition date fair values. The consideration transferred does not include amount related to the settlement of pre-existing relationships with the acquiree.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognised in statement of profit and loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the relevant Ind AS. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and any difference subsequent to its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the fair value of identifiable assets acquired net of fair value of liabilities assumed. Any gain on a bargain purchase is recognised in OCI and accumulated in equity as capital reserve if there exists clear evidence, of the underlying reasons for classifying the business combination as resulting in a bargain purchase; otherwise, the gain is recognised directly in equity as capital reserve.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units belonging to the Group that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than it's carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in statement of profit and loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash generating unit retained.

3.6 Impairment of Non-Financial Assets:

The management assesses at each reporting date, whether there is an indication that a non-financial asset may be impaired. If any indication exists, or when annual impairment testing for such asset is required, the management estimates the asset's recoverable amount in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the management estimates the recoverable amount of the cash-generating unit to which the asset belongs. Goodwill and the intangible assets with indefinite life are tested for impairment each year.

Impairment loss is recognised when the carrying amount of an asset (or cash generating unit) exceeds its recoverable amount which is higher of asset's (or cash generating unit's) net selling price or the value in use. The amount of value in use is determined as the present value of estimated future cash flows from the continuing use of an asset (or cash generating unit) and from its disposal at the end of its useful life. For this purpose, the discount rate (pre-tax) is determined based on the weighted average cost of capital of the entities included in the Group suitably adjusted for risks specified to the estimated cash flows of the asset (or cash generating units).

If recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, such deficit is recognised immediately in the Statement of Profit and Loss as impairment loss and the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss is recognised for the asset (or cash generating unit). A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

3.7 Inventories:

Inventories are valued, after providing for obsolescence as given below:

Raw Materials, Packing Materials and Stores and Spares:

Raw materials, packing materials and stores and spares are valued at lower of Cost or net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Costs are determined on First in First out basis.

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

Work-in-progress

Work-in-progress is valued at the lower of cost and net realizable value. The cost is computed on First in First out basis.

Finished Goods, Semi-Finished Goods and Traded Goods:

Finished goods, Semi-finished goods and traded goods are valued at lower of cost and net realisable value. The cost is computed on First in First out basis.

Cost is determined on First in First out basis which includes expenditure incurred for acquiring inventories like purchase price, import duties, taxes (net of tax credit), cost of conversion and other costs incurred in acquiring the inventories to their present location and condition. For financial statements to provide more reliable and relevant information about the effects of transactions, the management has decided to change cost formula from weighted average basis to FIFO from this financial year prospectively.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

3.8 Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and highly liquid financial instruments, which are readily convertible into known amounts of cash, that are subject to an insignificant risk of change in value with an original maturity of three months or less.

3.9 Employee Benefits:

(a) Short-term employee benefits:

All employee benefits payable wholly within twelve months of rendering the services are classified as short-term employee benefits. Benefits such as salaries, wages, short-term compensated absences, expected cost of bonus, etc. are recognised in the period in which the employee renders the related services.

(b) Post-employment benefits:

(i) Defined Contribution Plan:

The Group makes defined contribution to Employee Provident Fund, Employee Pension Fund, Employee Deposit Linked Insurance, and Superannuation Schemes. The contribution paid/payable under these schemes is recognised during the period in which the employee renders the related services which are recognised in the Statement of Profit and Loss on accrual basis during the period in which the employee renders the services.

(ii) Defined Benefit Plan

The gratuity liability of the Group is funded through a Group Gratuity Scheme with Life Insurance Corporation of India (LIC) under which the annual contribution is paid to LIC. The Group's liability under Payment of Gratuity Act is determined on the basis of actuarial valuation made at the end of each financial year using the projected unit credit method. The obligation is measured at the present value of the estimated future cash flows using a discount rate based on the market yield on government securities where the terms of government securities are consistent with the estimated terms of the defined benefit obligations at the Balance Sheet date. The Group recognizes the net obligation of a defined benefit plan in its Balance Sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability / (asset) are recognized in other comprehensive income and are not reclassified to profit or loss in subsequent periods.

(c) Long term employee benefits:

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability. The cost of providing benefits is actuarially determined using the projected unit credit method, actuarial valuations being carried out at each Balance Sheet date.

3.10 Provisions, Contingent Liabilities and Contingent Assets

Provisions

The Group recognizes a provision when it has a present legal or constructive obligation as a result of past events, it is

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

likely that an outflow of resources will be required to settle the obligation; and the amount has been reasonably estimated. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost.

Contingent Liabilities

Contingent liability is a possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the management or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

Contingent Assets

A contingent asset is not recognised unless it becomes virtually certain that an inflow of economic benefit will arise. When an inflow of economic benefits is probable, contingent assets are disclosed in the financial statements. Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

Onerous Contracts:

A provision for onerous contracts is measured at the present value of the lower expected costs of terminating the contract and the expected cost of continuing with the contract. Before a provision is established, the Group recognizes impairment on the assets with the contract.

3.11 Taxes:

The tax expenses comprise of current tax and deferred tax charge or credit. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the Other Comprehensive Income or in Equity, in which case, the tax is also recognised in Other Comprehensive Income or Equity.

Current Tax:

Tax on income for the current period is determined on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments/ appeals. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period.

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.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set-off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred Tax:

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in computation of taxable profit and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

Deferred tax liabilities are recognised for all taxable temporary differences at the reporting date between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax assets are recognised for all taxable temporary differences to the extent that is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset are to be recovered.

Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will be available against which the deferred tax assets to be recovered.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the management expects, at the end of reporting period, to recover or settle the carrying amount of the assets and liabilities.

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

Transaction or event which is recognised outside profit or loss, either in other comprehensive income or in equity, is recorded in other comprehensive income or in equity along with the tax as applicable.

Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set-off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

3.12 Revenue Recognition:

Revenue from Operations:

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration expected to receive in exchange for those products or services.

To recognise revenues, the Group applies the following five step approach in accordance with Ind AS 115:

(a) identify the contract with a customer

(b) identify the performance obligations in the contract

(c) determine the transaction price

(d) allocate the transaction price to the performance obligations in the contract and

(e) recognise revenues when a performance obligation is satisfied.

Sale of Goods:

The Group recognises revenue from sale of goods measured upon satisfaction of performance obligation which is at a point in time when control of the goods is transferred to the customer, generally on delivery of the goods. Depending on the terms of the contract, which differs from contract to contract, the goods are sold on a reasonable credit term. 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.

Sale of Services:

Revenue from services is recognised when the performance obligation is met and the right to receive income is established.

Interest Income:

For all debt instruments measured either at amortised cost or at 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 or to the amortised cost of a financial liability. When calculating the effective interest rate, the management estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example prepayment, extension 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.

Dividend Income:

Dividend income is recognized when the right to receive the payment is established, which is generally when shareholders approve the dividend.

Export Incentives:

Eligible export incentives are recognised in the year in which the conditions precedent are met and there is no significant uncertainty about the collectability.

Other Income:

Revenue with respect to Other Operating Income and Other Income including insurance and other claims are recognised when a reasonable certainty as to its realisation exists.

3.14 Leases:

The management evaluates each contract or arrangement, whether it qualifies as lease as defined under Ind AS 116.

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

As a Lessee:

The management assesses, whether the contract is, or contains, a lease, at its inception. A contract is, or contains, a lease if the contract conveys the right to –

(a) control the use of an identified asset,

(b) obtain substantially all the economic benefits from use of the identified asset, and

(c) direct the use of the identified asset

The management determines the lease term as the non-cancellable period of a lease, together with periods covered by an option to extend the lease, where the entity is reasonably certain to exercise that option.

The Group at the commencement of the lease contract, recognizes a Right-of-Use (RoU) asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term leases) and low-value assets. For these short term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

The cost of the right-of-use asset comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The Right-of-Use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the Right-of-Use asset or the end of the lease term. The estimated useful lives of Right-of-Use assets are determined on the same basis as those of property, plant and equipment. In addition, the Right-of-Use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

For lease liabilities at the commencement of the lease, the Group measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate is not readily determinable, the lease payments are discounted using the incremental borrowing rate that the relevant entities in the Group would have to pay to borrow funds, including the consideration of factors such as the nature of the asset and location, collateral, market terms and conditions, as applicable in a similar economic environment. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

Lease payments included in the measurement of the lease liability comprises fixed payments, including amounts expected to be payable under a residual value guaranteed and the exercise price under a purchase option that the relevant entities in the Group are reasonably certain to exercise, lease payments in an optional renewal period if the relevant entities in the Group are reasonably certain to exercise an extension option. The lease liability is subsequently measured at amortised cost using the effective interest method.

Each lease rental paid is allocated between the liability and the interest cost, so as to obtain a constant periodic rate of interest on the outstanding liability for each period. Finance charges are recognised as finance costs in the statement of profit and loss.

As a lessor:

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the concerned entity to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the concerned entity's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

3.15 Borrowing Costs:

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred. Borrowing costs consist of interest and other costs that are incurred in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

In determining the amount of borrowing costs eligible for capitalization, any income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

3.16 Foreign Currency Transactions:

Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction. At each Balance Sheet date, foreign currency monetary items are reported using the closing rate. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of initial transactions. Exchange differences that arise on settlement of monetary items or on reporting of monetary items at each Balance Sheet date are recognised in profit or loss in the period in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

3.17 Earnings Per Share:

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to the equity shareholders of the holding company by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events such as bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to the equity shareholders of the holding company and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

3.18 Exceptional items:

When items of income or expense within the statement of profit & loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the Group for the period, the nature and amount of such material items are disclosed separately as exceptional items.

3.19 Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity to another entity. The management determines the classification of the financial assets and liabilities at initial recognition.

Initial Recognition:

Financial assets and/or financial liabilities are recognised when any of the Group Entities becomes party to a contract embodying the related financial instruments. All financial assets, financial liabilities and financial guarantee contracts are initially measured at transaction values and where such values are different from the transaction values, at fair values. Transaction costs that are attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss are added to or deducted from as the case may be, from the fair value on initial recognition.

Classification and Subsequent Measurement of Financial Assets:

The Group classifies financial assets, subsequently at amortised cost, Fair Value through Other Comprehensive Income ("FVTOCI") or Fair Value through Profit or Loss ("FVTPL") on the basis of following:

- the entity's business model for managing the financial assets, and
- the contractual cash flow characteristics of the financial asset.

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

(a) **Financial Assets measured at Amortised Cost:**

A Financial Asset is measured at amortised Cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the Financial Asset give rise on specified dates to cash flows that represent solely payments of principal and interest on the principal amount outstanding.

(b) **Financial Assets measured at Fair Value Through Other Comprehensive Income (FVTOCI):**

A Financial Asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling Financial Assets and the contractual terms of the Financial Asset give rise on specified dates to cash flows that represent solely payments of principal and interest on the principal amount outstanding.

(c) **Financial Assets measured at Fair Value Through Profit or Loss (FVTPL):**

FVTPL is a residual category for financial assets. Any financial asset, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL.

Classification and Subsequent Measurement of Financial Liabilities:

(a) **Financial liabilities measured at Fair Value Through Profit or Loss (FVTPL):**

Financial liabilities are classified as FVTPL when the financial liability is held for trading or is a derivative (except for effective hedge) or are designated upon initial recognition as FVTPL. Gains or Losses, including any interest expense on liabilities held for trading are recognised in the Statement of Profit and Loss.

(b) **Other Financial liabilities:**

Other financial liabilities (including loans and borrowings, bank overdrafts and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and amounts paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost on initial recognition.

Interest expense (based on the effective interest method), foreign exchange gains and losses, and any gain or loss on derecognition is recognised in the Statement of Profit and Loss.

For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Debt and Equity Instruments:

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by Group Entities are recognised at the proceeds received, net of direct issue costs.

Equity Investments

All equity investments in the 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 management may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The management makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. If the management 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 statement of profit and loss, even on sale of investment. However, the cumulative gain or loss may be transferred 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.

De-recognition of Financial Instruments:

The Group derecognises a Financial Asset when the contractual rights to the cash flows from the Financial Asset expire or it transfers the Financial Asset and the transfer qualifies for de-recognition under Ind AS 109. In cases where Group has neither transferred nor retained substantially all of the risks and rewards of the financial asset, but retains control of the financial asset, the Group continues to recognize such financial asset to the extent of its continuing involvement in the financial asset. In that case, the Group also recognizes an associated liability. The financial asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

A Financial liability (or a part of a financial liability) is derecognised from the Balance Sheet when the obligation specified in the contract 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 between the carrying amount of the financial liability de-recognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

Impairment of Financial Assets:

In accordance with Ind AS 109, the Group uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of all Financial Assets subsequent to initial recognition other than financial assets measured at fair value through profit and loss (FVTPL). For Trade Receivables and all lease receivables resulting from transactions within the scope of Ind AS 116 the Group applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The management uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward-looking estimates are analysed. For other financial assets, the Group uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk since its initial recognition. If there is significant increase in credit risk since its initial recognition full lifetime ECL is used. The impairment losses and reversals are recognised in Statement of Profit and Loss.

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 entity in accordance with the contract and all the cash flows that it expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

Offsetting of Financial Instruments:

Financial assets and financial liabilities are offset and presented on net basis in the balance sheet when there is a legally enforceable right to set-off the recognised amounts and it is intended to either settle them on net basis or to realise the asset and settle the liability simultaneously.

Fair Value of Financial Instruments

In determining the fair value of its financial instruments, the Group uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis and available quoted market prices, where applicable. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

Financial instruments by category are separately disclosed indicating carrying value and fair value of financial assets and liabilities. For financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at fair value, the carrying amounts approximate fair value due to the short maturity of these instruments.

Derivative Financial Instruments:

Derivative financial instruments such as forward contracts, option contracts and cross currency swaps, to hedge foreign currency risks are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value with changes in fair value recognised in the Statement of Profit and Loss in the period when they arise.

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

4 Property, Plant and Equipment (PPE)

(₹ in lakh)

Particulars	Leasehold Land	Factory Building	Plant & Machinery	Electrical Installation	Furniture & Fixture	Vehicle	Computer	Office Equipment	Total	Capital Work in Progress (CWIP)
Gross carrying amount										
As at 1st April, 2020	2,686.98	5,039.79	26,061.23	151.75	245.33	361.73	119.88	107.64	34,774.34	12,912.18
Additions during the year	226.71	347.15	1,899.73	87.25	158.17	49.25	27.06	35.63	2,830.95	13,031.35
Assets capitalised during the year from CWIP	1,316.40	7,815.75	12,222.28						21,354.43	(21,354.43)
Disposals during the year	-	-	-	-	-	(14.12)	-	-	(14.12)	
Gross carrying amount as at 31st March, 2021	**4,230.09**	**13,202.69**	**40,183.23**	**239.00**	**403.50**	**396.87**	**146.94**	**143.27**	**58,945.60**	**4,589.10**
Accumulated depreciation/impairment										
Accumulated depreciation/ impairment as at 1st April, 2020	32.36	672.02	6,357.41	33.82	49.07	192.94	94.40	56.32	7,488.35	-
Depreciation/impairment for the year	33.00	240.19	1,412.52	19.18	28.47	25.99	22.72	16.70	1,798.76	-
Disposals during the year	-	-	-	-	-	(11.31)	-	-	(11.31)	-
Accumulated depreciation/ impairment as at 31st March, 2021	**65.36**	**912.21**	**7,769.93**	**53.01**	**77.54**	**207.62**	**117.12**	**73.01**	**9,275.80**	**-**
Net carrying amount as at 31st March 2021	**4,164.74**	**12,290.48**	**32,413.30**	**185.99**	**325.96**	**189.25**	**29.82**	**70.26**	**49,669.80**	**4,589.10**
Gross carrying amount										
As at 1st April, 2021	4,230.09	13,202.69	40,183.23	239.00	403.50	396.87	146.94	143.27	58,945.60	4,589.10
Additions during the year	443.51	767.66	3,070.28	3.64	52.86	63.24	21.61	31.55	4,454.35	8,452.95
Assets capitalised during the year from CWIP			1,881.32						1,881.32	(1,881.32)
Disposals during the year	-	(17.98)	(1,039.30)	(4.65)	-	(22.52)	-	0	(1,084.44)	
Gross carrying amount as at 31st March, 2022	**4,673.61**	**13,952.38**	**44,095.53**	**237.99**	**456.36**	**437.59**	**168.55**	**174.82**	**64,196.83**	**11,160.73**
Accumulated depreciation/impairment										
Accumulated depreciation/ impairment as at 1st April, 2021	65.36	912.21	7,769.93	53.01	77.54	207.62	117.12	73.01	9,275.80	-
Depreciation/impairment for the year	132.29	440.77	2,042.31	23.59	38.99	32.53	25.25	23.44	2,759.15	
Disposals during the year	-	(6.13)	(839.41)	0.00	(0.01)	(18.25)	(0.03)	-0.53086	(864.37)	
Accumulated depreciation/ impairment as at 31st March, 2022	**197.64**	**1,346.86**	**8,972.83**	**76.59**	**116.51**	**221.89**	**142.33**	**95.92**	**11,170.58**	**-**
Net carrying amount as at 31st March 2022	**4,475.97**	**12,605.52**	**35,122.70**	**161.40**	**339.85**	**215.70**	**26.21**	**78.90**	**53,026.24**	**11,160.73**

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

4 Property, Plant and Equipment (PPE) *(contd...)*

Footnotes:

(a) Borrowing cost of 377.52 Lakhs have been capitalised during the year (March 31, 2021 - ₹ 749.25 Lakhs).

(b) Title deeds of Immovable Property not held in the name of the Company

(₹ in lakh)

Relevant line item in Balance Sheet	Description of item of property	Gross Carrying Value As at 31st March, 2022	Gross Carrying Value As at 31st March, 2021	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter / director	Property held since which date	Reason for not being held in the name of the Company
Land	Factory land Plot No. 231 VATVA (these are survey numbers) - Plot Nos. 228 to 239	3.30	3.30	Dispo Dyechem Private Limited	No	October 2018	Property was acquired through amalgamation/merger, the name change in the name of the Company is pending.
Land	Factory Land Plot No. 232 VATVA (these are survey numbers) - Plot Nos. 228 to 239	3.30	3.30	Dispo Dyechem Private Limited	No	October 2018	Property was acquired through amalgamation/merger, the name change in the name of the Company is pending.
Land	Factory Land Plot No. 233 VATVA (these are survey numbers) - Plot Nos. 228 to 239	3.65	3.65	Dispo Dyechem Private Limited	No	October 2018	Property was acquired through amalgamation/merger, the name change in the name of the Company is pending.
Land	Factory Land Plot No. 235 VATVA (these are survey numbers) - Plot Nos. 228 to 239	3.30	3.30	Dispo Dyechem Private Limited	No	October 2018	Property was acquired through amalgamation/merger, the name change in the name of the Company is pending.
Land	Factory Land Plot No. 236 VATVA (these are survey numbers) - Plot Nos. 228 to 239	3.30	3.30	Dispo Dyechem Private Limited	No	October 2018	Property was acquired through amalgamation/merger, the name change in the name of the Company is pending.
Land	Land (Sayakha) - Plot No. 540 & 541 & DP/90/21	1,568.59	1,568.59	Amarjyot Chemical Limited	No	October 2018	Property was acquired through amalgamation/merger, the name change in the name of the Company is pending.
Land	Plot No C-1 + 2/B, GIDC Estate, DAHEJ, Tal. Vagra, Dist. Bharuch, Gujarat.	300.00	300.00	Aarti Industries Limited	No	August 2019	Application is already filed for change in title of the property.
Land	Land - Plot No. A1/322-11, Vapi Industrial Area.	57.44	57.44	Amarjyot Chemical Limited	No	October 2018	Property was acquired through amalgamation/merger, the name change in the name of the Company is pending.

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

4 Property, Plant and Equipment (PPE) *(contd...)*

(c) Capital Work-In-Progress (CWIP) Ageing Schedule

As at 31st March 2022 (₹ in lakh)

	< 1 Year	1- 2 Years	2- 3 Years	> 3 Years	Total
Projects in progress	7,635.73	3,503.75	21.24	-	11,160.72
Projects temporarily suspended	-	-	-	-	-
Total	**7,635.73**	**3,503.75**	**21.24**	**-**	**11,160.72**

As at 31st March 2021 (₹ in lakh)

	< 1 Year	1- 2 Years	2- 3 Years	> 3 Years	Total
Projects in progress	4,293.85	295.25	-	-	4,589.10
Projects temporarily suspended	-	-	-	-	-
Total	**4,293.85**	**295.25**	**-**	**-**	**4,589.10**

(d) There are no material projects whose completion is overdue as compared to its original plan as at 31st March 2022.

(e) There were no material projects which have exceeded their original plan cost as at 31st March, 2022.

5 Right-of-Use Asset-

(₹ in lakh)

	Right-of-Use Asset Building
Gross carrying amount	
As at 1st April, 2020	100.01
Additions during the year	39.55
Disposals during the year	-
Gross carrying amount as at 31st March 2021	**139.57**
Accumulated depreciation	
As at 1st April, 2020	32.38
Depreciation charge for the year	42.27
Disposals during the year	-
Accumulated depreciation as at 31st March 2021	**74.65**
Net carrying amount as at 31st March 2021	**64.91**
Gross carrying amount	**-**
As at 1st April, 2021	139.57
Additions during the year	67.31
Disposals during the year	-
Gross carrying amount as at 31st March 2022	**206.88**
Accumulated depreciation	
As at 1st April, 2021	74.65
Depreciation charge for the year	48.20
Disposals during the year	-
Accumulated depreciation as at 31st March 2022	**122.85**
Net carrying amount as at 31st March 2022	**84.02**

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

6 Goodwill

(₹ in lakh)

	Goodwill
Gross carrying amount	
As at 1st April, 2020	2,077.26
Additions during the year	-
Disposals during the year	-
Gross carrying amount as at 31st March 2021	**2,077.26**
Accumulated amortisation/impairment	
As at 1st April, 2020	1,795.67
Amortisation for the year	-
Amortisation/Impairment for the year	281.59
Disposals	-
Accumulated amortisation/impairment as at 31st March 2021	**2,077.26**
Net carrying amount as at 31st March 2021	**-**
Gross carrying amount	
As at 1st April, 2021	2,077.26
Addition during the year	-
Disposals during the year	-
As at 31st March 2022	**2,077.26**
Accumulated amortisation	
As at 1st April, 2021	2,077.26
Amortisation for the year	-
Amortisation/Impairment for the year	-
Disposals	-
Accumulated amortisation/impairment as at 31st March 2022	**2,077.26**
Net carrying amount as at 31st March 2022	**-**

7 Other Intangible Assets

(₹ in lakh)

	Technical Knowhow	Computer Software	Total
Gross carrying amount			
As at April 1, 2020	150.00	4.12	154.12
Additions during the year	-	-	-
Disposals during the year	-	-	-
Gross carrying amount as at 31st March 2021	**150.00**	**4.12**	**154.12**
Accumulated amortisation			
As at April 1, 2020	150.00	1.33	151.33
Amortisation charge for the year	-	1.31	1.31
Disposals during the year	-	-	-
Accumulated amortisation as at 31st March 2021	**150.00**	**2.64**	**152.64**
Net carrying amount as at 31st March 2021	**-**	**1.49**	**1.48**
Gross carrying amount			
As at April 1, 2021	150.00	4.12	154.12
Additions during the year	-	-	-
Disposals during the year	-		-
Gross carrying amount as at 31st March 2022	**150.00**	**4.12**	**154.12**
Accumulated amortisation			
As at April 1, 2021	150.00	2.64	152.64
Amortisation charge for the year	-	1.31	1.31
Disposals during the year	-		-
Accumulated amortisation as at 31st March 2022	**150.00**	**3.94**	**153.94**
Net carrying amount as at 31st March 2022	**-**	**0.18**	**0.18**

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

8 Investments

8A Investments (non-current)

(₹ in lakh)

Particulars	March 31, 2022	March 31, 2021
Other Investments - FVTOCI		
Quoted Investments		
- Investments in Equity Shares	286.99	197.48
Unquoted Investments		
- Investments in Preference Shares	37.50	36.16
	324.49	**233.65**
Other Investments - Amortised Cost		
Unquoted Investments		
- Share in Co-operative Society	0.05	0.05
	0.05	**0.05**
Total Other Investments (non-current)	**324.54**	**233.70**

	March 31, 2022		March 31, 2021	
	No of Shares	Amount	No of Shares	Amount
I. Investments carried at fair value through OCI:				
Investments in Equity Shares (Quoted)				
- Aarti Industries Limited (FV ₹5)	30,000	286.99	15,000	199.90
Investments in Preference Shares (Unquoted)				
- Aarti Surfactant - 4% redeemable preference shares	20,500	37.50	20,500	36.16
		324.49		**236.06**
II. Investments carried at amortised cost:				
Unquoted				
- Share in Co-operative Society	50	0.05	50	0.05
		0.05		**0.05**
Total		**324.54**		**236.11**

Footnote

1. Aggregate value of quoted investments and its market value is ₹ 286.99 lakhs (PY 199.90 lakhs).
2. Aggregate value of unquoted investments is ₹ 37.55 lakhs (PY 36.21 lakhs).

8B Investments (current)

(₹ in lakh)

Particulars	March 31, 2022	March 31, 2021
Quoted Investments		
- Investments in Equity Shares	54.03	14.02
- Investments in Mutual Funds	402.47	386.04
Total Investments (current)	**456.49**	**400.06**

	March 31, 2022		March 31, 2021	
	No of Shares/ Units of Mutual Funds	Amount	No of Shares/ Units of Mutual Funds	Amount
Investments - in Equity Shares (Quoted)				
Measured at FVOCI				
Elantas Beck India (FV ₹10)	400	13.76	400	13.49
Orchid Pharma Limited (FV ₹10)	22	0.06	22	0.53
Bank Bee (FV ₹ 10)	10,000	40.21	-	-
Investments - in Mutual fund (Quoted)				
Mutual Fund - measured at FVTPL				
Axis Mutual Fund	18,402	402.47	18,402	386.04
Total		**456.49**		**400.06**

Footnote: Aggregate value of Quoted Investments is ₹ 456.49 lakhs (PY 400.06 lakhs).

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

9 Other Financial Assets

9A Non-current (at amortised cost)

(₹ in lakh)

Particulars	March 31, 2022	March 31, 2021
Security Deposits		
Unsecured, Considered Good :	580.40	583.45
Total Other Financial Assets (non-current)	**580.40**	**583.45**

9B Current (at amortised cost)

(₹ in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured, Considered Good		
Security Deposits	27.71	19.95
Interest Receivable	6.75	1.58
Total Other Financial Assets (current)	**34.46**	**21.53**

10 Other Assets

10A Non-current

(Unsecured, unless otherwise stated)

(₹ in lakh)

Particulars	March 31, 2022	March 31, 2021
Capital Advances	113.71	931.32
Total Other Assets (non-current)	**113.71**	**931.32**

10B Current

(Unsecured, considered good, unless otherwise stated)

(₹ in lakh)

Other Current Assets	As at March 31, 2022	As at March 31, 2021
Balances with Statutory / Government Authorities	1,389.57	2,491.20
Advances to Suppliers	682.52	1,129.04
Prepaid Expenses	55.27	20.50
Export Benefits Receivable	126.51	-
Receivable - Others	72.23	4.21
Total Other Assets (current)	**2,326.09**	**3,644.96**

11 Inventories (at lower of cost and net realisable value)

(₹ in lakh)

Particulars	March 31, 2022	March 31, 2021
Raw Material	3,431.07	4,048.08
Fuel	137.21	50.41
Stores & Spares	424.68	272.94
Packing Materials	90.19	60.68
Work-in-Progress	1,527.04	316.86
Finished Goods	5,537.29	2,387.95
Service Inventory	216.25	80.12
	11,363.72	**7,217.04**
Included above, goods-in-transit:		
Raw Material	231.57	595.21
	231.57	**595.21**

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

12 Trade Receivables (current) (at amortised cost)

(₹ in lakh)

Particulars	March 31, 2022	March 31, 2021
Trade Receivables	32,329.09	15,892.41
Less: Impairment Allowance	(235.42)	(214.42)
Trade Receivables (net)	**32,093.68**	**15,677.99**
Break-up of security details		
(i) Unsecured, considered good	32,093.68	15,677.99
(ii) Unsecured, credit impaired	235.42	214.42
	32,329.09	**15,892.41**
Less: Impairment Allowance	(235.42)	(214.42)
	32,093.68	**15,677.99**

(a) Due to the short nature of credit period given to customers, there is no financing component in the contracts.

(b) The Company applies the expected credit loss (ECL) model for measurement and recognition of impairment losses on trade receivables. The Company follows the simplified approach for recognition of impairment allowance on trade receivables. The application of the simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment allowance based on lifetime ECLs at each reporting date. ECL impairment loss allowance (or reversal) recognised during the period is recognised in the Statement of Profit and Loss. This amount is reflected under the head 'other expenses' in the Statement of Profit and Loss.

(c) Trade receivables (current) ageing :

As at 31 March, 2022

(₹ in lakh)

	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 Month	6 Month to 1 Year	1-2 Year	2-3 Year	More than 3 Year	
(i) Undisputed Trade Receivables - considered good	29,452.14	2,196.69	204.93	6.31	0.12	105.36	31,965.55
(ii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iii) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – credit impaired	-	-	-	-	-	119.89	119.89
	29,452.14	**2,196.69**	**204.93**	**6.31**	**0.12**	**225.26**	**32,085.45**
Unbilled Trade Receivables							243.65
Less: Impairment Allowance							(235.42)
Total Trade Receivables							**32,093.68**

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

12 Trade Receivables (current) (at amortised cost) *(contd...)*

As at 31 March, 2021

(₹ in lakh)

	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 Month	6 Month to 1 Year	1-2 Year	2-3 Year	More than 3 Year	
(i) Undisputed Trade Receivables - considered good	11,912.34	3,511.69	13.49	43.37	89.16	84.94	15,654.98
(ii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iii) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – credit impaired	-	-	-	-	-	119.89	119.89
	11,912.34	**3,511.69**	**13.49**	**43.37**	**89.16**	**204.83**	**15,774.87**
Unbilled Trade Receivables							117.53
Less: Impairment Allowance							(214.42)
Total Trade Receivables							**15,677.98**

(d) Movement in expected credit loss allowance of trade receivables

(₹ in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	214.41	119.89
Allowances / (write back) during the year	21.00	94.52
Written off against past provision	-	-
Balance at the end of the year	**235.41**	**214.41**

13 Current Financial Assets - Cash and Cash Equivalents

(₹ in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Cash & Cash Equivalents		
Cash on hand	16.02	9.06
Balances with Banks	2,488.66	1,274.28
Total Cash & Cash Equivalents	**2,504.68**	**1,283.34**

14 Other Balances with Banks

(₹ in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Fixed Deposits	2,033.55	1,815.09
Total Other Balances with Banks	**2,033.55**	**1,815.09**

15 Loans (current) (at amortised cost)

(₹ in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured, Considered Good		
Loans to Employees	46.59	44.94
Advances to Related Parties	-	2.47
Total Loans (current)	**46.59**	**47.41**

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

16 Current Tax Assets (Net)

(₹ in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Advance Tax and Tax Deducted at Source (Net of Provisions)	1,092.75	216.80
Total Current Tax Assets (Net)	**1,092.75**	**216.80**

17 Equity Share Capital

A. Authorised Share Capital

(₹ in lakh)

Particulars		March 31, 2022	March 31, 2021
Authorised:			
3,71,00,000	Equity Shares of ₹ 10/- each (March 31, 2021 - 3,71,00,000)	3,710.00	3,710.00
5,00,000	Redeemable Preference Shares of ₹ 10/- each (March 31, 2021 -5,00,000)	50.00	50.00
20,00,000	Optionally Convertible Preference Shares of ₹ 10 each (March 31, 2021 - 20,00,000)	200.00	200.00
40,000	Redeemable Non-Cumulative Preference Shares of ₹ 100 each (March 31, 2021 - 40,000)	40.00	40.00
Total		**4,000.00**	**4,000.00**

B. Issued, Subscribed & Paid Up:

(₹ in lakh)

Particulars	March 31, 2022	March 31, 2021
Equity Share Capital (Opening Balance)	2,715.35	1,214.92
Add: Conversion of Optionally Convertible Preference Shares	-	142.75
Add: Issue of Bonus Shares	-	1,357.67
2,71,53,488 Equity Shares of ₹ 10 each (March 31, 2021 - 2,71,53,488) [A]	**2,715.35**	**2,715.35**
Optionally Convertible Preference Shares (Opening Balance)	40.56	183.31
Less : Converted to Equity Shares during the year	-	(142.75)
4,05,561 Optionally Convertible Preference Shares of ₹ 10 each (March 31, 2021 - 4,05,561) [B]	**40.56**	**40.56**
Total (A+B)	**2,755.90**	**2,755.90**

Rights, preferences and restrictions attached to equity shares

Ordinary Equity Shares

The Company has only one class of Shares referred to as Equity Shares having par value of ₹ 10. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Optionally Convertible Preference Shares (OCPS)

Convertible at the option of the holder within 18 months from the date of receipt of trading approval from BSE Limited.

Equity Shares issued and allotted, pursuant to Conversion will be listed on the Stock Exchange.

The Equity shares issued and allotted, upon conversion shall rank pari passu in all respects including dividend with the existing Equity shares of the Company.

Pursuant to the scheme of arrangement with Amarjyot Chemical Limited, OCPS was supposed to be converted into equity shares or into Redeemable Preference Shares (RPS) before February 2022. However, on obtaining consent from OCPS shareholders for conversion into equity shares, the Company filed application on November 23, 2021. Pending formal approval from the regulator, the Board of Directors has approved extension in timeline for such conversion in its meeting held on 30 April 2022.

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

17 Equity Share Capital *(contd...)*

C. Reconciliation of Equity Shares Outstanding

(a) Ordinary Equity Shares (₹ in lakh)

	March 31, 2022		March 31, 2021	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	2,71,53,488	2,715.35	1,21,49,218	1,214.92
Add: Conversion of Optionally Convertible Preference Shares	-	-	14,27,526	142.75
Add: Issue of Bonus shares (1:1)	-	-	1,35,76,744	1,357.67
Shares outstanding at the end of the year	**2,71,53,488**	**2,715.35**	**2,71,53,488**	**2,715.35**

(b) Optionally convertible preference shares outstanding (Instruments entirely equity in nature) (₹ in lakh)

	March 31, 2022		March 31, 2021	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	4,05,561.00	40.56	18,33,087	183.31
Less: Conversion in to ordinary Equity Shares during the year	-	-	(14,27,526)	(142.75)
Shares outstanding at the end of the year	**4,05,561**	**40.56**	**4,05,561**	**40.56**

D. Details of Shares held by each shareholder holding more than 5% shares

(a) Ordinary Equity Shares

	March 31, 2022		March 31, 2021	
	Number	% of Holding	Number	% of Holding
Jaya Chandrakant Gogri	23,09,644	8.51	23,09,644	8.51
Arti Rajendra Gogri	19,77,814	7.28	21,43,914	7.90
Manisha Rashesh Gogri	15,89,114	5.85	15,89,114	5.85
Tarla Parimal Desai	-	-	18,55,278	6.83
Nikhil Parimal Desai	24,55,869	9.04	4,92,572	1.81

(b) Optionally convertible preference shares outstanding (Instruments entirely equity in nature)

	March 31, 2022		March 31, 2021	
	Number	% of Holding	Number	% of Holding
Bhavesh B.Mehta	23,814	5.87	23,814	5.87
Dilesh Roadline Pvt. Ltd	1,82,404	44.98	1,82,404	44.98
Nikhil Parimal Desai	55,742	13.74	15,120	3.73
Tarla Parimal Desai	3,508	0.86	44,130	10.88

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

17 Equity Share Capital *(contd...)*

E. Details of shares held by promoters / promoter group

(a) Ordinary Equity Shares

(₹ in lakh)

	March 31, 2022		March 31, 2021		% change during the year
	Number	% of Holding	Number	Amount	
Jaya Chandrakant Gogri	23,09,644	8.51	23,09,644	8.51	-
Arti Rajendra Gogri	19,77,814	7.28	21,43,914	7.90	(0.61)
Manisha Rashesh Gogri	15,89,114	5.85	15,89,114	5.85	-
Mirik Rajendra Gogri	6,69,334	2.47	5,05,934	1.86	0.60
Vicky Hemchand Gala	5,73,860	2.11	5,73,860	2.11	-
Arvind Kanji Chheda	4,33,476	1.60	8,55,476	3.15	(1.55)
Hiral Arvind Chheda	4,05,100	1.49	-	-	1.49
Hetal Gogri Gala	2,50,000	0.92	2,50,000	0.92	-
Hemchand Lalji Gala	1,27,079	0.47	1,49,856	0.55	(0.08)
Dhanvanti Hemchand Gala	1,00,100	0.37	1,49,940	0.55	(0.18)
Dilesh Roadlines Private Limited	4,33,722	1.60	13,33,722	4.91	(3.31)
Aarti Corporate Services Limited	99,412	0.37	99,412	0.37	-
Alchemie Financial Services Limited	54,396	0.20	54,396	0.20	-
Alchemie Finserv Private Limited	34,568	0.13	34,568	0.13	-
Aakansha Pharmachem LLP	5,080	0.02	5,080	0.02	-
Drl Cargo Carriers Private Limited	1,952	0.01	1,952	0.01	-
Tulip Family Trust	6,12,000	2.25	6,12,000	2.25	-
Ujjwal Business Trust	6,00,000	2.21	6,00,000	2.21	-
Paridhi Business Trust	1,29,924	0.48	1,29,924	0.48	-
Chandrakant Vallabhaji Gogri	82,954	0.31	82,954	0.31	-
Pooja Renil Gogri	57,334	0.21	57,334	0.21	-
Indira Madan Dedhia	40,500	0.15	40,500	0.15	-
Vijayanka Chhotalal Shah	1,000	0.00	500	0.00	0.00
Devang Shah	750	0.00	250	0.00	0.00
Rashesh Chandrakant Gogri	600	0.00	600	0.00	-
Heena Jatin Chheda	540	0.00	540	0.00	-
Neelam Hemang Shah	335	0.00	250	0.00	0.00
Forum Devang Shah	250	0.00	250	0.00	-
Hemang Chhotalal Shah	205	0.00	250	0.00	(0.00)
Pooja Hitendra Gala	75	0.00	75	0.00	-
Kirti L Gangar	20	0.00	20	0.00	-
Damayanti Laxmichand Shah	4	0.00	4	0.00	-
Nehal K Gangar	1	0.00	15	0.00	(0.00)
Raj Jatin Chheda	-	-	30	0.00	(0.00)
Jatin Moraji Chheda	-	-	360	0.00	(0.00)
Total	**1,05,91,143**	**39.00**	**1,15,82,724**	**42.66**	**(3.65)**

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

17 Equity Share Capital *(contd...)*

(b) Optionally convertible preference shares outstanding (Instruments entirely equity in nature)

	March 31, 2022		March 31, 2021		% change during the year
	Number	% of Holding	Number	% of Holding	
Alchemie Finserv Pvt. Ltd.	909	0.22	909	0.22	-
Alchemie Financial Service Limited	1,430	0.35	1,430	0.35	-
Aarti Corporate Services Limited	2,614	0.64	2,614	0.64	-
Aakansha Pharmachem LLP	134	0.03	134	0.03	-
Dilesh Roadlines Pvt. Ltd.	1,82,404	44.98	1,82,404	44.98	-
DRL Cargo Carrier Pvt. Ltd.	14,868	3.67	14,868	3.67	-
Total	**2,02,359**	**49.90**	**2,02,359**	**49.90**	**-**

18 Other Equity

(₹ in lakh)

Particulars	March 31, 2022	March 31, 2021
a. Capital Reserve	7,846.30	7,846.30
b. Capital Redemption Reserve	38.40	-
c. General Reserve	3,910.88	3,910.88
d. Retained Earning	46,468.30	35,500.48
e. Equity instruments through Other Comprehensive Income	295.14	213.52
Total Other Equity	**58,559.03**	**47,471.18**

Nature and Purpose of Reserves

Capital Reserve

During amalgamation/merger/acquisition, the excess of net assets taken, over the consideration paid, if any, is treated as capital reserve.

Capital Redemption Reserve

Transferred to Capital Redemption Reserve on redemption of Redeemable Preference Shares during the year.

General Reserve

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

Retained Earnings

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

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 instruments reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are de-recognised.

MOVEMENT IN OTHER EQUITY DURING THE YEAR

a. Capital Reserve

(₹ in lakh)

Particulars	March 31, 2022	March 31, 2021
Opening Balance	7,846.30	7,846.30
Movement during the year	-	-
Closing Balance	**7,846.30**	**7,846.30**

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

18 Other Equity *(contd...)*

b. Capital Redemption Reserve

(₹ in lakh)

Particulars	March 31, 2022	March 31, 2021
Opening Balance	-	-
Movement during the year	38.40	-
Closing Balance	**38.40**	**-**

c. General Reserve

(₹ in lakh)

Particulars	March 31, 2022	March 31, 2021
Opening Balance	3,910.88	2,764.97
Add : Transfer from Retained Earning	-	1,145.92
Closing Balance	**3,910.88**	**3,910.88**

d. Retained Earning

(₹ in lakh)

Particulars	March 31, 2022	March 31, 2021
Retained Earning		
Opening Balance (Surplus in Profit & Loss)	19,735.53	7,846.30
Add: Net Profit for the year	11,328.38	11,456.39
Less: Remeasurement (Loss) on defined benefit plan (net off tax)	(22.05)	(44.36)
Add: Transferred from Other Comprehensive Income on disposal of FVOCI equity instruments	-	3,660.99
Amount available for appropriation	**31,041.85**	**22,919.32**
Appropriation:		
Interim Dividend	-	(678.84)
Issuance of Bonus Shares	-	(1,357.67)
Expenses incurred for issuance of Bonus Shares	-	(1.36)
Staff Duty paid on Equity share	(300.09)	-
Transferred to General Reserve	-	(1,145.92)
Transferred to Capital Redemption Reserve on redemption of Redeemable Preference Shares during the year	(38.40)	
Closing Balance	**30,703.35**	**19,735.53**

Retained Earnings include Remeasurement Loss (net of tax) on Defined Benefit Plans to the extent of ₹ 54.82 Lakhs (PY ₹ 76.87 Lakhs).

e. Equity instruments through Other Comprehensive Income

(₹ in lakh)

Particulars	March 31, 2022	March 31, 2021
Opening Balance	213.52	3,135.82
Add: Fair value changes of various Financial intruments (net off tax)	81.63	738.69
Less : Transfer to retained earnings on disposal of FVOCI equity instruments	-	(3,660.99)
Closing Balance	**295.14**	**213.52**

19 Non - Controlling Interest

(₹ in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Dhanvallabh Ventures LLP	0.13	0.13
(b) Valiant Laboratories Limited	3,575.28	630.00
(c) Valiant Specility Chemical Limited	-	-
	3,575.41	**630.13**

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

20 Borrowings

20A Non-current

(₹ in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
a) Secured		
Term Loans from Banks		
- Foreign currency loans	3,537.55	5,566.42
- Indian currency loans	5,829.80	1,910.11
	9,367.35	**7,476.53**
b) **Unsecured**		
From Others		
- Indian currency loans	1,209.50	30.00
	1,209.50	**30.00**
Total Borrowings (non-current)	**10,576.85**	**7,506.53**

20B Current

(₹ in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
a) **Repayable on demand from Banks (secured)**		
- Cash Credit Facilities	327.70	90.82
- Working Capital Demand Loans	17,618.61	4,900.00
- Packing Credit in foreign currency	-	116.87
	17,946.32	**5,107.70**
(b) **Current Maturity of Long Term Debt (secured)**		
- Foreign currency loans	2,173.03	2,133.38
- Indian currency loans	1,277.74	125.00
	3,450.77	**2,258.38**
(c) **From Others (unsecured)**		
- Indian currency loans	**4,283.57**	**5,930.54**
	4,283.57	**5,930.54**
Total Borrowings (current)	**25,680.66**	**13,296.61**

Footnotes:

1 As at March 31, 2022, ₹ 30,764.44 lakhs (March 31, 2021: ₹ 14,842.60 lakhs) of the total outstanding borrowings were secured by a charge on property, plant and equipment, inventories, receivables and other current assets of respective entities forming part of the group.

2 **The security details of major borrowings as at March 31, 2022 are as below:**

(i) Foreign currency term loans as on 31 March 2022, amounting to ₹ 5,729.01 lakhs (non-current + current) were secured by a charge on immovable & movable properties including movable machinery, spares, tools & accessories, ranking pari passu inter-se. The term loans were drawn in different tranches over the period and were originally payable across 16 equal quarterly instalments starting from December 2020 till February 2025 as mentioned in the table below:

Particulars	Interest Rate	Quarterly Instalment	Repayment Start Date	Repayment End Date
(a) Term Loan of USD 5,568,704	L + 160 bps	USD 348,044	May 2021	February 2025
(b) Term Loan of USD 1,500,000	L + 200 bps	USD 93,750	July 2020	April 2024
(c) Term Loan of USD 1,000,000		USD 62,500	May 2020	February 2024
(d) Term Loan of USD 1,700,000		USD 106,250	December 2020	December 2024
(e) Term Loan of USD 1,700,000		USD 106,250	December 2020	December 2024

During the year ended 31 March 2022, the Company has repaid these loans.

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

20 Borrowings *(contd...)*

(ii) Rupee term loans as on 31 March 2022, amounting to ₹ 7,107.53 lakhs were secured by a charge on immovable & movable properties including movable machinery, spares, tools & accessories, ranking pari passu inter-se. The term loan was originally payable across 16 equal quarterly instalments starting from January 2022 till October 2025 as mentioned in the table below:

Particulars	Interest Rate	Quarterly Instalment	Repayment Start Date	Repayment End Date
(a) Term Loan of ₹ 19,99,97,345/-	6.25%	₹ 1,25,00,000/-	September 2022	June 2026
(b) Term Loan of ₹ 50,96,94,510/-#	5.70% to 6.96%	₹ 7,77,00,000/-	January 2022	September 2026

#During the year ended 31 March 2022, the Company has started repayment of this loan.

(iii) Working capital facilities from banks as at March 31, 2022 amounting to ₹ 17,946.32 lakhs were secured by a first pari passu charge on the stock of raw materials, finished goods, stock in process, consumable stores and book debts of the respective entities forming part of the group. These credit facilities carry average interest rates in the range of 5.50% to 9.25% (31 March, 2021: 6.50% to 9.25%).

(iv) ₹ 1,179.50 Lakhs is the balance in partners' capital account of erstwhile partners of the step down subsidiary - 'Bharat Chemicals', which was converted to a limited liability company - 'Valiant Laboratories Limited' during the year. Owing to the agreement with the bankers of said Valiant Laboratories Limited, the partners cannot withdraw these balances until the repayment of existing credit facilities. Hence, the same is treated as long term borrowing.

(v) ₹ 4,283.57 Lakhs represent balance in partners' capital accounts in subsidiary Dhanvallabh Ventures LLP.

3 The Parent do not have any charges or satisfaction which are yet to be registered with ROC beyond the statutory period except for the additional credit facilities sanctioned during the year to the extent of ₹ 14000 lakhs. The Indian Subsidiaries do not have any charges or satisfaction which are yet to be registered with ROC beyond the statutory period except for the additional credit facilities sanctioned during the year to the extent of ₹ 1920 lakhs.

4 There are no material differences between the quarterly statements of stock filed by the Parent and Indian Subsidiaries with banks and the books of accounts.

5 The Parent and Indian Subsidiaries have not been declared as a wilful defaulter by any bank or financial institution or other lenders in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

6 Currency and interest exposure of borrowings including current maturities is as below:

	As at 31st March 2022			As at 31st March 2021		
	Fixed Rate	Floating Rate	Total	Fixed Rate	Floating Rate	Total
a) Indian National Rupee (INR) - Total	7,523.05	23,005.45	30,528.50	5,960.54	7,142.81	13,103.35
b) United States Dollar (USD) - Total	-	5,729.01	5,729.01		7,699.80	7,699.80
	7,523.05	**28,734.46**	**36,257.51**	**5,960.54**	**14,842.60**	**20,803.14**
a) Indian National Rupee (INR) - Hedged (interest rate swaps)	-	-	-	-	-	-
b) United States Dollar (USD) - Hedged (interest rate swaps)	-	(5,729.01)	(5,729.01)	-	(7,699.80)	(7,699.80)
	-	**(5,729.01)**	**(5,729.01)**	**-**	**(7,699.80)**	**(7,699.80)**
a) Indian National Rupee (INR) - Unhedged	7,523.05	23,005.45	30,528.50	5,960.54	7,142.81	13,103.35
b) United States Dollar (USD) - Unhedged	-	-		-	-	-
	7,523.05	**23,005.45**	**30,528.50**	**5,960.54**	**7,142.81**	**13,103.35**
% of Total Borrowings	**24.64%**	**75.36%**	**100.00%**	**45.49%**	**54.51%**	**100.00%**

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

20 Borrowings *(contd...)*

7 All the floating rate borrowings are bank borrowings bearing interest rates based on Marginal Cost of Lending Rate (MCLR), Repo rate and LIBOR. Of the total floating rate borrowings as at March 31, 2022, ₹ 5,729.01 lakhs (March 31, 2021: ₹ 7,699.80 lakhs) have been hedged using interest rate swaps with contracts covering period of more than one year.

8 Of the total floating rate borrowings as at March 31, 2022, ₹ 934.50 lakhs (March 31, 2021: ₹ 1,379.50 lakhs) have been hedged using currency swaps with contracts covering period of more than one year.

9 Maturity profile of borrowings including current maturities is as below: (₹ in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
a) Not later than one year or on demand	25,699.09	13,296.61
b) Later than one year but not two years	4,883.51	2,623.10
c) Later than two years but not three years	2,730.09	2,593.10
d) Later than three years but not four years	1,305.48	1,880.21
e) Later than four years but not five years	1,639.35	410.12
	36,257.51	**20,803.14**

21 lease Liabilities

21A Non-current

(₹ in lakh)

Particulars	March 31, 2022	March 31, 2021
Long term maturities of finance lease obligations	54.06	23.67
Total lease liabilities (non-current)	**54.06**	**23.67**

21B Current

(₹ in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Current maturities of finance lease obligations	31.46	47.75
Total lease liabilities (current)	**31.46**	**47.75**

Footnotes:

(i) The Company has lease contracts for its office premises and godowns with lease terms between 1 year to 3 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Company is restricted from assigning and subleasing the leased assets. The Company also has certain leases of office premises and godowns with lease terms of 12 months or less. The Company applies the 'short-term lease' recognition exemptions for these leases.

(a) The movement in lease liabilities during the year ended 31 March, 2022 and 31 March, 2021 is as follows: (₹ in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning	71.42	88.56
Additions	64.60	39.16
Accretion of interest	4.14	7.74
Payment of lease liabilities	(54.63)	(64.04)
Balance at the end	**85.52**	**71.42**
Non-current	54.06	23.67
Current	31.46	47.75

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

21 lease Liabilities *(contd...)*

(b) The following are the amounts recognised in profit or loss:

(₹ in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Depreciation on right-of-use assets	48.20	42.27
Interest expense on lease liabilities	641.94	492.06
Expense relating to short-term leases	47.99	36.99
Total amount recognised in statement of profit and loss	**738.12**	**571.32**

(c) Details of carrying amount of right-of-use assets and movement during the period is disclosed under Note 5.

(ii) The maturity analysis of lease liabilities are disclosed in Note 39C (ii) 'Liquidity Risk Management'.

(iii) The effective interest rate for lease liabilities is 9%, with maturity between 2022-2024.

(iv) Expense relating to short-term leases are disclosed under the head rent in other expenses (Refer Note 33).

22 Provisions

22A Non-current

(₹ in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision For Employees Benefit		
(a) Provision for Gratuity (Refer note no. 30)	-	83.26
(b) Provision for Leave Salary (Refer note no. 30)	105.19	68.26
Total Provisions (non-current)	**105.19**	**151.52**

22B Current

(₹ in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision For Employees Benefits		
(a) Provision for Gratuity (Refer note no. 30)	27.33	87.68
(b) Provision for Leave Salary(Refer note no. 30)	17.49	27.77
(c) Provision for Bonus	198.97	148.83
Total Provisions (current)	243.78	264.28

Footnotes:

(i) The Company presents provision for gratuity and leave salaries as current and non-current based on actuarial valuation considering estimates of availment of leave, separation of employees, etc.

(ii) Detailed disclosure in respect of post-retirement defined benefit scheme is provided in note 30.

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

23 Income Taxes

A. Major components of deferred tax liabilities/(assets) arising on account of timing difference:

As at 31st March, 2022 (₹ in lakh)

Particulars	As on 1st April, 2021	Charge / (Credit) to Statement of Profit and Loss	Charge / (Credit) to Other Comprehensive Income	As on 31st March, 2022
(a) Deferred tax liabilities, on account of:				
Difference between WDV of depreciable fixed assets as per the books of accounts and Income Tax Act, 1961	2,163.23	606.67	-	2,769.89
(b) Deferred tax assets, on account of:	-			
Provision for expenses allowed for tax purpose on payment basis (Net)	(147.67)	10.70		(136.97)
Remeasurement of the defined benefit plans through OCI	(11.59)	-	-	(11.59)
Difference in carrying value and tax base of investments in equity instruments measured at FVTOCI	27.47	-	13.20	40.68
Difference in Right-of-Use asset and lease liabilities	(1.29)	0.33		(0.96)
Deferred tax expense/(benefit) for the year	**-**	**617.70**	**13.20**	**-**
(c) Net Deferred tax liabilities	**2,030.15**	**-**	**-**	**2,661.05**

As at 31st March, 2021 (₹ in lakh)

Particulars	As on 1st April, 2020	Charge / (Credit) to Statement of Profit and Loss	Charge / (Credit) to Other Comprehensive Income	As on 31st March, 2021
(a) Deferred tax liabilities, on account of:				
Difference between WDV of depreciable fixed assets as per the books of accounts and Income Tax Act, 1961	1,412.32	750.91	-	2,163.23
(b) Deferred tax assets, on account of:				
Provision for expenses allowed for tax purpose on payment basis (Net)	(59.10)	(88.57)	-	(147.67)
Remeasurement of the defined benefit plans through OCI	-	-	(11.59)	(11.59)
Difference in carrying value and tax base of investments in equity instruments measured at FVTOCI	140.25	-	(112.78)	27.47
Difference in Right-of-Use asset and lease liabilities	(1.53)	0.24	-	(1.29)
Deferred tax expense/(benefit) for the year	**-**	**662.58**	**(124.37)**	**-**
(c) Net Deferred tax liabilities	**1,491.94**	**-**	**-**	**2,030.15**

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

23 Income Taxes *(contd...)*

B. The major components of Income Tax Expense for the year:

(₹ in lakh)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(i) Income tax recognised in the Statement of Profit and Loss		
Current tax:		
For current year	4,286.21	4,735.19
In respect of short tax provision for earlier years	(78.60)	1.88
Deferred tax:		
For current year	618.12	661.92
Income tax expense recognised in the Statement of Profit and Loss	**4,825.74**	**5,398.99**
(ii) Income tax expense recognised in Other Comprehensive Income		
Current tax:		
Income tax on net gain on liquidation of investments in equity instruments through OCI	-	263.00
Deferred tax:		
Income tax (expense) /benefit on remeasurement of defined benefit plans	2.49	(11.59)
Income tax benefit/(expense) on net fair value gain on investments in equity instruments through OCI	10.71	112.78
Income tax benefit / (expense) recognised in OCI	**13.20**	**138.63**

C. Reconciliation of tax expense and accounting profit for the year:

(₹ in lakh)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Profit before tax	17,617.02	18,486.00
Income tax expense calculated at 25.168%	4,433.85	4,652.56
Tax effect on non-deductible expenses	1,774.91	631.29
Effect of concessions (depreciation under income tax act)	(1,420.10)	(1,002.29)
Effect of Income which is taxed at special rates	445.83	(0.99)
Others	(948.28)	454.62
Total	**4,286.21**	**4,735.19**
Adjustment of tax relating to earlier periods	(78.60)	1.88
Tax expense as per Statement of Profit and Loss	**4,207.62**	**4,737.06**

Footnote: The tax rate used for reconciliation above is the corporate tax rate of 25.168% payable by corporate entities in India on taxable profits under Indian tax law. This rate is applicable subject to certain conditions, including that the total income should be computed without claiming specific deductions or exemptions.

24 Trade payables

(₹ in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Trade & Non-Trade Payables		
(a) Total Outstanding Dues of Micro enterprises and Small Enterprises	85.11	132.32
(b) Total Outstanding dues of Creditors other than Micro enterprises and small enterprises	12,293.72	10,588.29
Total Trade Payables (current)	**12,378.83**	**10,720.62**

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

24 Trade payables *(contd...)*

Footnotes:

(i) Trade payables ageing:

As at 31 March, 2022 (₹ in lakh)

	Outstanding for the following periods from due date of payment						Total
	Unbilled	Not Due	< 1 year	1 Year - 2 Years	2-3 Years	> 3 Years	
(i) MSME	-	85.11	-	-	-	-	85.11
(ii) Others	-	8,136.75	4,060.51	88.03	5.08	3.35	12,293.72
(iii) Disputed Dues - MSME	-	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-	-
	-	**8,221.86**	**4,060.51**	**88.03**	**5.08**	**3.35**	**12,378.83**

As at 31 March, 2021 (₹ in lakh)

	Outstanding for the following periods from due date of payment						Total
	Unbilled	Not Due	< 1 year	1 Year - 2 Years	2-3 Years	> 3 Years	
(i) MSME	-	132.32	-	-	-	-	132.32
(ii) Others	-	3,794.21	5,832.58	950.47	1.42	9.60	10,588.29
(iii) Disputed Dues - MSME	-	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-	-
	-	**3,926.54**	**5,832.58**	**950.47**	**1.42**	**9.60**	**10,720.61**

(ii) Disclosures under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (as amended)

Particulars	As at March 31, 2022	As at March 31, 2021
(i) (a) Principal amount remaining unpaid to any supplier	85.11	132.32
(b) Interest on (i)(a) above	-	-
(ii) The amount of interest paid along with the principal payment made to the supplier	-	-
(iii) Amount of interest due and payable on delayed payments	-	-
(iv) Amount of further interest remaining due and payable for the earlier years	-	-
(v) Total outstanding dues of Micro and Small Enterprises	-	-
- Principal	85.11	132.32
- Interest	-	-

25 Other Financial Liabilities (current)

(₹ in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Creditors for Capital Goods	1,058.91	1,906.00
(b) Unclaimed Dividends	3.39	3.40
(c) Redeemable Preference Shares	-	38.40
(d) Salaries and Wages Payable	189.53	200.66
(e) Outstanding Expenses	363.07	378.16
Total Other Financial Liabilities (current)	**1,614.91**	**2,526.61**

a. There is no amount due and outstanding to be credited to Investor Education and Protection Fund as at March 31, 2022.

b. Redeemable Non Cumulative Preference Shares (RNPS): The Holding Company has redeemed the RNPS during the year at its face value.

26 Other Current Liabilities

(₹ in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Statutory Dues	140.28	148.93
(b) Revenue Received in Advance	97.18	56.85
Total Other Current Liabilities	**237.47**	**205.78**

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

27 Revenue from operations

(₹ in lakh)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a) Sale of Manufactured Products	1,07,163.84	68,214.55
(b) Sale of Traded Products	1,878.14	1,552.64
(c) Sale of Services	6,285.13	5,713.58
Total revenue from operations	**1,15,327.11**	**75,480.77**

Footnotes:

(a) **Disaggregate revenue information**

Refer Note 36 for disaggregated revenue information. The management determines that the segment information reported is sufficient to meet the disclosure objective with respect to disaggregation of revenue under Ind AS 115 "Revenue from contracts with customers".

(b) In case of Domestic Sales, payment terms range from 60 days to 100 days based on geography and customers. In case of Export Sales these are either against documents at sight, documents against acceptance or letters of credit - 60 days to 120 days. There is no significant financing component in any transaction with the customers.

(c) The Group does not provide performance warranty for products, therefore there is no liability towards performance warranty.

(d) The Group does not have any remaining performance obligation as contracts entered for sale of goods are for a shorter duration.

28 Other Income

(₹ in lakh)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a) Interest Income		
Investments in debt instruments measured at fair value through OCI	1.33	1.33
Other financial assets carried at amortised cost	83.85	47.02
	85.18	**48.35**
(b) Dividend Income		
Dividends from quoted equity investments measured at fair value through OCI	1.08	3.34
	1.08	**3.34**
(c) Other Non-operating Income		
Export Benefits	134.55	126.74
Sale of Scrap	160.02	31.72
Miscellaneous Expenses	357.46	383.07
	652.04	**541.53**
(d) Other Gains and Losses		
Net gain on sale of property, plant and equipment	3.45	0.59
	3.45	**0.59**
Total other income	**741.75**	**593.81**

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

29A Cost of Materials Consumed

(₹ in lakh)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a) Raw Materials Consumed		
Opening Stock (including goods-in-transit)	4,098.49	2,509.59
Add: Purchases	78,422.25	41,245.43
	82,520.74	**43,755.03**
Less: Closing Stock (including goods-in-transit)	5,763.93	4,098.49
	76,756.81	**39,656.54**
(b) Packing Materials Consumed		
Opening Stock	60.68	65.54
Add: Purchases	1,361.44	995.31
	1,422.12	**1,060.85**
Less: Closing Stock	90.19	60.68
	1,331.94	**1,000.17**
Total cost of materials consumed	**78,088.75**	**40,656.70**

29B Purchase of Stock in Trade

(₹ in lakh)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Purchases of stock-in-trade	1,708.65	1,539.45
Total Purchases of Stock-in-Trade	**1,708.65**	**1,539.45**

29C Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress

(₹ in lakh)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Stock at the beginning of the year		
Finished Goods (including goods-in-transit)	2,443.01	1,277.47
Work-in-Progress	325.50	524.41
Total	**2,768.51**	**1,801.87**
Stock at the end of the year		
Finished Goods (including goods-in-transit)	3,382.10	2,459.43
Work-in-Progress	1,642.07	325.50
Total	**5,024.17**	**2,784.93**
(Increase)/decrease in inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	**(2,255.66)**	**(983.05)**

30 Employee Benefits Expenses

(₹ in lakh)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a) Salaries and wages	2,891.60	2,331.99
(b) Contribution to provident and other funds	476.96	170.80
(c) Staff welfare expenses	347.42	434.87
Total employee benefits expenses	**3,715.99**	**2,937.67**

A. Post-employment benefits

(i) Provident Fund (defined contribution plan)

The Group has certain defined contribution plans. Contributions are made to provident fund for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognized during the period towards defined contribution plan are ₹ 162.32 lakhs (PY ₹ 130.35 lakhs).

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

30 Employee Benefits Expenses *(contd...)*

(ii) Retirement Gratuity (defined benefit plans)

The Group provides for gratuity for employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees' last drawn basic salary per month computed proportionately for 15 days salary multiplied by number of years of service. The gratuity plan is a funded plan and the Group makes contributions to recognised funds in India. The Group maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

Aforesaid post-employment benefit plans typically expose the Group to actuarial risks such as: investment risk, interest rate risk, salary risk and longevity risk.

(i) Investment risk: The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to government bond yields. If the return on plan asset is below this rate, it will create a plan deficit.

(ii) Interest risk: A decrease in the bond interest rate will increase the plan liability.

(iii) Salary risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in salary of the plan participants will increase the plan's liability.

(iv) Longevity risk: The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Details of defined benefit obligations and plan assets (Gratuity)

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows :

(₹ in lakh)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Change in defined benefit obligations:		
Obligation at the beginning of the year	376.65	229.64
Current service cost	53.24	26.46
Past Service Cost	17.26	-
Interest costs	26.05	15.66
Remeasurement (gain)/loss	7.16	51.43
Benefits paid	(24.49)	(25.18)
Obligation at the end of the year	**455.86**	**298.01**

(₹ in lakh)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Change in plan assets:		
Fair value of plan assets at the beginning of the year	204.73	132.01
Interest income	14.13	9.00
Remeasurement gain/(loss) excluding amount included within employee benefit expense	21.65	(4.52)
Employers' contribution	210.00	12.33
Benefits paid	(21.98)	(21.76)
Fair value of plan assets at the end of the year	**428.54**	**127.07**

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

30 Employee Benefits Expenses *(contd...)*

Amounts recognised in the balance sheet consist of: (₹ in lakh)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Present Value of Obligation	455.86	298.01
Fair Value of Plan Assets	(428.54)	(127.07)
	27.32	**170.94**
Recognised as:		
Provision for Gratuity (non-current)	-	83.26
Provision for Gratuity (current)	27.32	87.68

Expense/(gain) recognised in the statement of profit and loss consists of: (₹ in lakh)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Employee benefits expenses:		
Current service cost	38.66	26.46
Past Service Cost	17.26	-
Net interest expense	11.91	6.66
	67.83	**33.12**
Other comprehensive income		
Return on plan assets excluding amount included in employee benefits expense	(2.17)	4.52
Actuarial (gain)/loss arising from changes in experience adjustments	21.74	51.43
	19.57	**55.95**
Expense/(gain) recognised in the statement of profit and loss	**87.40**	**89.07**

The major categories of plans assets are as follows: (₹ in lakh)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Asset category		
Insurance fund	428.54	127.07
Total	**428.54**	**127.07**

Key assumptions used in the measurement of retiring gratuity is as below: (₹ in lakh)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Financial Assumptions:		
Discount Rate	7.31%	6.93%
Rate of escalation in Salary	5.50%	5.50%
Demographic Assumptions:		
Rate of Employee Turnover	3.00%	3.00%
Mortality Rate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

29 Employee Benefits Expenses *(contd...)*

Maturity profile of defined benefit obligation (₹ in lakh)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
1st following year	93.46	53.75
2nd following year	17.38	9.42
3rd following year	25.18	14.15
4th following year	51.63	12.51
5th following year	31.73	42.93
Sum of year 6 To 10	157.10	105.15
Sum of years 11 and above	629.98	429.97

Sensitivity Analysis : (₹ in lakh)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Sensitivity analysis for significant assumptions	455.86	298.01
Delta Effect of +1% Change in Rate of Discounting	(32.38)	(23.36)
Delta Effect of -1% Change in Rate of Discounting	38.13	27.68
Delta Effect of +1% Change in Rate of Salary Increase	38.44	27.80
Delta Effect of -1% Change in Rate of Salary Increase	(33.18)	(23.86)
Delta Effect of +1% Change in Rate of Employee Turnover	4.36	2.36
Delta Effect of -1% Change in Rate of Employee Turnover	(5.22)	(2.87)

Footnotes:

(i) The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

(ii) The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

(iii) Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

(iv) There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

(v) The Group is expected to contribute ₹ 79.31 lakhs to defined benefit plan obligations funds for the year ended March 31, 2023.

(vi) Expected return on assets is determined by multiplying the opening fair value of the plan assets by the expected rate of return determined at the start of the annual reporting period, taking account of expected contributions & expected settlements during the reporting period.

(vii) The Weighted Average Duration of the Plan works out to 10 years.

(viii) Asset Liability matching strategy:
The money contributed by the Group to the Gratuity fund to finance the liabilities of the plan has to be invested. The trustees of the plans have outsourced the investment management of the funds to an insurance Company. The insurance Company in turn manages these funds as per the mandate provided to them by the trustees and the asset allocation which is within the permissible limits prescribed in the insurance regulations. Due to the restrictions in the type of investments that can be held by the fund, it is not possible to explicitly follow an asset liability matching strategy. There is no compulsion on the part of the Group to fully prefund the liability of the Plans.

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

30 Employee Benefits Expenses *(contd...)*

B. Other long-term employee benefits

Annual Leave and Sick Leave

The liability towards compensated absences (annual leave and sick leave) for the year ended 31st March, 2022 based on actuarial valuation carried out by using Projected Accrued Benefit Method resulted in increase in liability by ₹ 26.65 lakhs. (FY 2021-22: increased by ₹ 82.66 lakhs).

(a) Financial Assumptions

(₹ in lakh)

Particulars	Year ended March 31, 2022
Discount Rate	7.31%
Salary increases allowing for Price inflation	5.50%

(b) Demographic Assumptions

Particulars	Year ended March 31, 2022
Mortality	Indian Assured Lives Mortality (2012-14) Ultimate
Employee Turnover	3.00%
Leave Availment Ratio	2.00%

31 Finance Costs

(₹ in lakh)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest expense:		
(a) on borrowings from banks and others	641.94	492.06
(b) on lease obligations	6.00	7.74
Total finance costs	**647.93**	**499.80**

Footnotes:

(a) Finance costs incurred on various projects being qualifying assets are capitalised in accordance with Ind AS 23.

(b On adoption of Ind AS 116 Leases, the Group has recognised Right-of-Use assets and created lease obligation representing present value of future minimum lease payments. Unwinding of such obligation is recognised as interest expense.

32 Depreciation, Amortisation and Impairment Expenses

(₹ in lakh)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a) Depreciation/Impairment on Property, Plant and Equipment	2,913.69	1,800.13
(b) Depreciation on Right-of-use assets	48.20	42.27
(c) Amortisation/Impairment of Goodwill	-	281.59
Total depreciation, amortisation and impairment expenses	**2,961.89**	**2,123.99**

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

33 Other Expenses

(₹ in lakh)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a) Consumption of stores and spares	913.26	653.37
(b) Consumption of power & steam	2,808.90	2,271.24
(c) Freight and handling charges	972.97	662.95
(d) Repairs to plant & machinery	1,900.45	1,528.33
(e) Environmental health and safety expenses	1,377.71	1,103.10
(f) Labour charges	1,454.81	1,165.76
(g) Safety & Security Charges	99.24	41.60
(h) Laboratory charges	50.22	25.23
(i) Loading & Unloading Charges	487.29	310.70
(j) Foreign exchange loss (net)	92.27	47.03
(k) Freight & Forwarding Charges	783.68	716.52
(l) Export Expenses	84.74	40.64
(m) Provisoion for Bad and Doubtful Debts	21.00	94.52
(n) Commission and Incentive on sales	72.51	71.00
(o) Sundry balances written-off	25.88	19.88
(p) Director Sitting Fees	1.95	2.96
(q) Corporate Social Responsibility (refer footnote (b) below)	337.15	280.38
(r) Legal & Professional Fees	327.73	365.43
(s) Auditor's Remuneration (refer footnote (a) below)	15.01	11.84
(t) Insurance charges	229.33	145.15
(u) Water & Drainage Charges	160.47	114.12
(v) Boiler operating charges	711.29	403.11
(w) Rates & Taxes	145.41	51.78
(x) Listing Fees	3.89	176.35
(y) Miscellaneous expenses	507.13	511.04
Total other expenses	**13,584.29**	**10,814.02**

Footnotes:

(a) Details of payments to Auditors (excluding GST)

(₹ in lakh)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Payment to Auditors		
(a) for Statutory Audit	11.69	10.40
(b) for Other Services - Certification	3.17	1.34
(c) for Out of Pocket Expenses	0.14	0.10
Total payment to auditors	**15.01**	**11.84**

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

33 Other Expenses *(contd...)*

(b) Corporate Social Responsibility

(₹ in lakh)

	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a)	**Gross amount required to be spent by the Company during the year**	324.95	240.41
(b)	**Amount approved by the Board to be spent during the year**		
	Construction / acquisition of any asset		
	On purposes other than above	337.23	280.38
	Total	**337.23**	**280.38**
(c)	**Amount spent during the year**		
	Construction / acquisition of any asset		
	On purposes other than above	337.23	280.38
	Total	**337.23**	**280.38**
(d)	**Details of ongoing project and other than ongoing project**		
(i)	**In case of Section 135(6) (ongoing project)**		
	Opening Balance - With Company	-	-
	- In Separate CSR Unspent A/c	-	-
	Amount required to be spent during the year	-	-
	Amount spent during the year - From Company's bank A/c'	-	-
	- From Separate CSR Unspent A/c	-	-
	Closing Balance - With Company	-	-
	- In Separate CSR Unspent A/c	-	-
(ii)	**In case of Section 135(5) (other than ongoing project)**		
	Opening Balance	(39.97)	-
	Amount deposited in Specified Fund of Sch. VII within 6 months	-	-
	Amount required to be spent during the year	324.95	240.41
	Amount spent during the year	337.15	280.38
	Closing balance (Excess spent)	(52.17)	(39.97)
(e)	**Details related to spent / unspent obligations :**		
(i)	Education and skill Development	123.66	44.00
(ii)	Covid-19 Relief	92.36	219.97
(iii)	Livestock Development	14.15	-
(iv)	Medical Grants, Healthcare Facilities	37.45	-
(v)	Rural and socially backward society Development	0.98	5.00
(vi)	Tribal Welfare	50.00	-
(vii)	Water Management-Conservation	1.72	-
(viii)	Women Empowerment & amp; Livelihood	15.00	-
(ix)	Green Environment Project	0.83	4.63
(ix)	Health Care	1.00	6.00
(x)	Food Welfare	-	0.45
(xi)	General Welfare Activities	-	0.33
(xii)	Unspent amount in relation to:		
	- Ongoing projects	-	-
	- Other than ongoing projects	-	-

Being first year of operations CSR is not applicable to the step-down subsidiary - 'Valiant Laboratories Limited'.

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

34 Earning Per Share (EPS):

	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a)	Net Profit available for Equity Shareholders	11,328.38	11,456.39
(b)	No. of Equity Shares as per financial statement	2,71,53,488	2,71,53,488
(c)	Weighted average number of Equity Shares for Basic Earnings Per Share* (nos.) (Previous year numbers include Bonus Shares issued during current year)	2,71,53,488	2,56,43,830
(d)	Weighted average number of Equity Shares for Diluted Earnings Per Share** (nos.) (Previous year numbers include Bonus Shares issued during current year)	2,79,64,610	2,79,64,610
(e)	Basic Earnings Per Share (in ₹)	41.72	44.68
(f)	Diluted Earnings Per Share (in ₹)	40.51	40.97

Footnotes:

(a) Basic EPS is calculated by dividing profit for the year attributable to equity shareholders of the Holding Company by the weighted average number of Equity shares outstanding during the year.

b) Diluted EPS amounts are calculated by dividing the profit attributable to equity shareholders of the Holding Company 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.

(c) Number of Shares for Computation of EPS (₹ in lakh)

Particulars	March 31, 2022	March 31, 2021
Basic EPS (in Nos)		
Existing (Nos)	2,71,53,488.00	1,21,49,218.00
Optionally Convertible Preference Shares converted to Equity*	-	14,27,526.00
Total Number of shares after conversion	**2,71,53,488.00**	**1,35,76,744.00**
Bonus Issue during the year	-	1,35,76,744.00
Total Number of shares after Bonus issue	**2,71,53,488.00**	**2,71,53,488.00**
Weighted average number of Equity Shares	**2,71,53,488.00**	**2,56,43,830.37**
Diluted Earnings Per Share (in Nos)		
Existing (Nos)	2,79,64,610.00	1,21,49,218.00
Optionally Convertible Preference Shares convert to Equity	-	14,27,526.00
Total Number of share	**2,79,64,610.00**	**1,35,76,744.00**
OCPS (Pending for Conversion to equity) **	-	4,05,561.00
Bonus issue during the year	-	1,39,82,305.00
Total Number of share after Bonus issue	**2,79,64,610.00**	**2,79,64,610.00**
Weighted average number of Equity Shares	**2,79,64,610.00**	**2,79,64,610.00**

* Holders of 14,27,526 Optionally Convertible Preference Share opted to convert their holding into equity shares and accordingly were allotted equity shares on 11.10.2020. The Basic EPS for the year ended 31-03-2021 has been accordingly arrived at by dividing the Profit by the weighted average number of equity shares.

** Pursuant to the scheme of arrangement with Amarjyot Chemical Limited, OCPS was supposed to be converted into equity shares or into Redeemable Preference Shares (RPS) before February 2022. However, on obtaining consent from OCPS shareholders for conversion into equity shares, the Holding Company filed an application on November 23, 2021. Pending formal approval from the regulator, the Board of Directors of the Holding Company has approved extension in timeline for such conversion in its meeting held on 30 April 2022. Considering this, for purpose of diluted EPS it is assumed that OCPS shares will be converted into equity shares. Diluted EPS figures have been calculated after assuming remaining 4,05,561 OCPS being converted into equity shares and eligible to receive Bonus equity shares in the ratio of 1:1.

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

35 Contingent Liabilities and Commitments (To the extent not provided for)

(a) Contingent Liabilities

(₹ in lakh)

Particulars	March 31, 2022	March 31, 2021
Claims against the Company not acknowledged as debts		
(i) GST matters	131.33	111.98
(ii) Income tax matters	2,551.94	121.68
(iii) Labour laws related matters (ESIC)	3.46	3.46
(iv) Stamp Duty	199.87	-
(v) Bank Guarantees issued against the notices received from Statutory Authorities.	3.50	-
Total	**2,890.11**	**237.12**

(b) Commitments

(₹ in lakh)

Particulars	March 31, 2022	March 31, 2021
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	1,373.19	1,065.00
Total	**1,373.19**	**1,065.00**

36 Segment Information

The operating segments have been reported in a manner consistent with the internal reporting provided to the Board of Directors, who are the Chief Operating Decision Makers (CODM). The board is responsible for allocating resources and assessing the performance of operating segments. Accordingly, the reportable segment is only one segment i.e. Chemicals.

(a) Revenue from Type of Products and Services

There is only one operating segment of the Company which is based on nature of product. Hence the revenue from external customers shown under geographical information is representative of revenue based on products and services.

(b) Geographical Information

(₹ in lakh)

Particulars	March 31, 2022	March 31, 2021
Segment Revenue - External Turnover		
Within India (include Deemed Export)	1,09,813.19	68,388.55
Outside India	5,513.93	7,092.22
Total	**1,15,327.11**	**75,480.77**
Non-Current Assets*		
Within India	65,617.65	56,489.37
Outside India	-	-
Total	**65,617.65**	**56,489.37**

* includes property plant and equipment, intangible assets, capital work-in-progress and other non-financial non-current assets.

(c) Information about major customers

Ind As 108 Segment Reporting Requires Disclosure of major customers if revenue from transactions with single external customer amounts to 10 per cent or more of Group's total revenue. Group's total Revenue of ₹ 1,15,327.11 Lakhs (FY 2020-21: ₹ 75,480.77 Lakhs) includes sales of ₹ 12,273.15 Lakhs (FY 2020-21: ₹ 13,765.97 Lakhs) to One large customers with whom the company is having long standing Relationship.

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

37 Related Party Transactions (details of related parties and RPT of subsidiaries shall also be disclosed).

Disclosure on Related Party Transactions as required by Ind AS 24 - Related Party Disclosures is given below:

(a) Key Managerial Personnel: (₹ in lakh)

Name	Designation
Mr. Arvind K. Chheda	Managing Director & Chief Executive Officer
Mr. Vishnu J. Sawant	Whole Time Director
Mr. Mahek M. Chheda	Whole Time Director & Chief Financial Officer (w.e.f. 26.05.2021)
Mr. Mahesh M. Savadia	Whole Time Director
Mr. Dinesh S. Shah	Whole Time Director
Mr. Bijal D. Modi	Whole Time Director
Mr. Sathiababu Krishnan Kallada	Non-Executive Director
Mr. D S Galpalli	Non-Executive Director (up to 14.08.2021)
Mr. Velji K. Gogri	Independent Director
Mr. Mulesh M. Savla	Independent Director
Mr. Dhirajlal D. Gala	Independent Director
Mrs. Jeenal K. Savla	Independent Director
Mr. Kirit H. Desai	Non-Executive Director (w.e.f. 14.08.2021)
Mr. Piyush Lakhani	Chief Financial Officer (up to 25.05.2021)
Mrs. Vyoma Vyas	Company Secretary (up to 04.09.2021)
Ms. Avani Lakhani	Company Secretary (w.e.f. 28.10.2021)

(c) Close family members of Key Managerial Personnel who are under the employment of the Company:

(i) Mr. Pankaj S. Shah
(ii) Mr. Siddharth D. Shah
(iii) Mr. Shevantilal P. Shah
(iv) Mr. Nemin M. Savadia

(d) Other entities where significant influence exists:

(i) Post employment-benefit plan entities:

- Abhilasha Tex Chem P. Ltd. Gratuity Trust
- Amarjyot Chemicals P. Limited Gratuity Trust
- The Trust Valiant Laboratories Limited

(ii) Other:

- Shanti Intermediates Pvt. Ltd.
- Dinesh Dyestuff Industries
- Alchemie Speciality Chemicals Pvt. Ltd.

Compensation of key management personnel of the Company: (₹ in lakh)

Particulars	March 31, 2022	March 31, 2021
(i) Short-term employee benefits	207.90	189.66
(ii) Post-employment benefits	-	20.60
(iii) Director Sitting fees	4.95	2.96
Total compensation paid to key management personnel	**212.85**	**213.22**

Details of transactions with and balances outstanding of subsidiaries: (₹ in lakh)

Name of related party	Nature of transaction	March 31, 2022		March 31, 2021	
		Transaction value	Outstanding amount	Transaction value	Outstanding amount
Valiant Speciality Chemical Limited	Equity Investment	-	25.00	-	25.00
	Unsecured Loan Given	(2.47)	-	2.47	2.47

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

37 Related Party Transactions *(contd...)*

Details of transactions with and balances outstanding of Key Managerial Personnel (KMP) / Close Family Members of Key Managerial Personnel:

(₹ in lakh)

	Nature of transaction	March 31, 2022		March 31, 2021	
		Transaction value	Outstanding amount	Transaction value	Outstanding amount
Mr. Arvind K. Chheda	Remuneration	29.70	2.50	27.00	2.00
	Commission on Profit	68.46	33.46	75.39	73.39
Mr. Vishnu J. Sawant	Remuneration	20.40	1.53	19.20	1.20
Mr. Mahek M. Chheda	Remuneration	19.80	1.00	18.00	3.00
Mr. Mahesh M. Savadia	Remuneration	14.73	0.74	13.02	0.53
Mr. Dinesh S. Shah	Remuneration	13.38	0.43	12.19	2.04
Mr. Bijal D. Modi	Remuneration	27.50	1.38	25.00	1.92
Mr. Sathiababu Krishnan Kallada	Director Sitting fees	0.40	-	0.08	-
Mr. D S Galpalli	Director Sitting fees	0.20	-	0.40	-
Mr. Velji K. Gogri	Director Sitting fees	1.15	-	0.60	-
Mr. Mulesh M. Savla	Director Sitting fees	1.05	-	0.64	-
Mr. Dhirajlal D. Gala	Director Sitting fees	0.85	-	0.60	-
Mrs. Jeenal K. Savla	Director Sitting fees	1.00	-	0.64	-
Mr. Kirit H. Desai	Director Sitting fees	0.30	-	-	-
Mr. Piyush Lakhani	Remuneration	6.00	-	24.00	18.00
Mrs. Vyoma Vyas	Remuneration	3.56	-	-	-
Ms. Avani Lakhani	Remuneration	4.38	-	-	-
Mr. Pankaj S. Shah	Remuneration	14.88	0.43	13.52	1.04
Mr. Siddharth D. Shah	Remuneration	16.13	0.43	13.52	1.04
Mr. Shevantilal P. Shah	Remuneration	-	-	1.71	
Mr. Nemin M. Savadia	Remuneration	6.23	0.30	6.04	0.32

Details of transactions with and balances outstanding of Entities Controlled/Significantly influenced by Directors/ Close Family Members of Directors:

(₹ in lakh)

Name of related party	Nature of transaction	March 31, 2022		March 31, 2021	
		Transaction value	Outstanding amount	Transaction value	Outstanding amount
Abhilasha Tex Chem P. Ltd. Gratuity Trust	Contribution to the Gratuity Funds	-	53.05	-	51.92
Valiant Organics Limited Gratuity Trust	Contribution to the Gratuity Funds	210.00	236.65	-	31.37
Amarjyot Chemicals P. Limited Gratuity Trust	Contribution to the Gratuity Funds	-	46.83	12.33	43.78
Shanti Intermediates Pvt. Ltd.	Revenue from Sale of Products	643.15	70.46	328.66	52.20
Dinesh Dyestuff Industries	Rent Paid	6.53	-	5.94	-
Alchemie Speciality Chemicals Pvt. Ltd.	Purchase of Goods	1,362.57	-	2,526.90	879.46
	Rent Received	12.00	-	12.00	-
	Revenue from Sale of Products	4,646.54	2,140.33	2,373.67	-

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

38 Financial Instruments - Accounting Classification and Fair values

Disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures"

Category-wise classification for applicable financial assets:

(₹ in lakh)

	Current/ Non- Current	March 31, 2022				March 31, 2021			
		Carrying Amount	Fair Value			Carrying Amount	Fair Value		
			Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
Financial Assets									
Financial assets measured at amortised cost									
Loans to others	Non-Current		N.A	N.A	N.A		N.A	N.A	N.A
Security Deposits	Non-Current	580.40	N.A	N.A	N.A	583.45	N.A	N.A	N.A
Trade Receivables	Current	32,093.68	N.A	N.A	N.A	15,677.99	N.A	N.A	N.A
Cash on hand	Current	16.02	N.A	N.A	N.A	9.06	N.A	N.A	N.A
Balance with Banks	Current	2,488.66	N.A	N.A	N.A	1,274.28	N.A	N.A	N.A
Other Fixed Deposits	Current	2,033.55	N.A	N.A	N.A	1,815.09	N.A	N.A	N.A
Security Deposits	Current	27.71	N.A	N.A	N.A	19.95	N.A	N.A	N.A
Loans to employees	Current	46.59	N.A	N.A	N.A	44.94	N.A	N.A	N.A
Interest Receivable	Current	6.75	N.A	N.A	N.A	1.58	N.A	N.A	N.A
Other Receivables	Current	-	N.A	N.A	N.A	2.47	N.A	N.A	N.A
		37,293.37				**19,428.81**	**-**	**-**	**-**
Financial assets measured at fair value through profit or loss (FVTPL)									
Investment in Mutual Funds (Quoted)	Current	402.47	402.47	-	-	386.04	386.04	-	-
Financial assets measured at fair value through other comprehensive income (FVTOCI)									
Investments in Equity Shares	Non-Current	324.54	286.99		37.55	233.70	197.48		36.21
Investments in Equity Shares	Current	54.03	54.03			14.02	14.02		
		378.57	**341.02**	**-**	**37.55**	**247.72**	**211.51**	**-**	**36.21**
Total Financial Assets		**38,074.41**	**743.49**	**-**	**37.55**	**20,062.57**	**599.96**	**-**	**36.21**
Financial Liabilities									
Financial liabilities measured at amortised cost									
Long term borrowings - Term Loans from Banks	Non-Current	9,367.35	N.A	N.A	N.A	7,476.53	N.A	N.A	N.A
Unsecured Loans	Non-Current	1,209.50	N.A	N.A	N.A	30.00	N.A	N.A	N.A
Long-term maturities of lease obligations	Non-Current	54.06	N.A	N.A	N.A	23.67	N.A	N.A	N.A
Short term borrowings - Working capital loans from Banks	Current	21,397.09	N.A	N.A	N.A	7,366.07	N.A	N.A	N.A
Unsecured Loans	Current	4,283.57				5,930.54			
Trade Payables									
- Due to Micro, Small and Medium Enterprises	Current	85.11	N.A	N.A	N.A	132.32	N.A	N.A	N.A
- Due to Others	Current	12,293.72	N.A	N.A	N.A	10,588.29	N.A	N.A	N.A
Creditors for Capital Goods	Current	1,058.91	N.A	N.A	N.A	1,906.00	N.A	N.A	N.A
Unclaimed Dividends	Current	3.39	N.A	N.A	N.A	3.40	N.A	N.A	N.A
Redeemable Preference Shares	Current	-	N.A	N.A	N.A	38.40	N.A	N.A	N.A
Current maturities of finance lease obligations	Current	31.46	N.A	N.A	N.A	47.75	N.A	N.A	N.A
Other Current Liabilities	Current	552.60	N.A	N.A	N.A	578.82	N.A	N.A	N.A
Total Financial Liabilities		**50,336.77**	**-**	**-**	**-**	**34,121.79**	**-**	**-**	**-**

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

38 Financial Instruments - Accounting Classification and Fair values *(contd...)*

Fair value hierarchy

Level 1 : Hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The mutual funds are valued using the closing NAV.

Level 2 : The fair value of financial instruments that are not traded in an active market 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. This is the case for unlisted equity securities etc. included in level 3.

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) 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 followed is given in the table above.

39 Financial risk management objectives and policies

The Holding Company's Board of Directors and the management of respective subsidiaries have overall responsibility for the establishment and oversight of the Group's Risk Management framework. The Board of Directors of the Holding Company has established the Risk Management Committee, which is responsible for developing and monitoring the Risk Management policies. The Committee reports regularly to the Board of Directors on its activities.

The Group's financial assets comprise mainly of investments, cash and cash equivalents, other balances with banks, trade receivables and other receivables and financial liabilities comprise mainly of borrowings, trade payables and other payables.

The Group's activities expose it to market risk, liquidity risk and credit risk. The Group's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group uses derivative financial instruments, such as cross currency swaps and interest rate swaps to hedge foreign currency risk and interest rate risk exposure. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

A. 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 of three types of risks: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk include borrowings, investments, trade payables, trade receivables and derivative financial instruments.

(i) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate due to changes in market interest rates. Group's interest rate risk arises from borrowings.

The following table demonstrates the sensitivity on the Group's profit before tax, to a reasonably possible change in interest rates of variable rate borrowings on that portion of loans and borrowings affected, with all other variables held constant:

Interest Rate Sensitivity

A change of 50 bps in interest rates would have following impact on Profit before Tax

	FY 2021-22	FY 2020-21
50 BPS increase would (decrease) the Profit before Tax by	(153.63)	(73.41)
50 BPS decrease would increase the Profit before Tax by	153.63	73.41

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

39 Financial risk management objectives and policies *(contd...)*

(ii) 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 transacts in foreign currencies and consequently the Group is exposed to foreign exchange risk through its sales outside India, and purchases from overseas suppliers in foreign currencies. The Group also has borrowings in foregin currency. The exchange rate between the Indian rupee and foreign currencies has changed substantially in recent years and may fluctuate substantially in the future. Consequently, the results of the Group's operations are affected as the rupee appreciates / depreciates against these currencies. Foreign currency exchange rate exposure is partly balanced by purchase of raw materials and services in the respective currencies.

As at the end of the reporting period, the carrying amounts of the material foreign currency denominated monetary assets and liabilities are as follows:

	As at March 2022		As at March 2021	
	Amount in foreign currency - USD	Amount in Rupees- INR	Amount in foreign currency - USD	Amount in Rupees- INR
Liabilities				
United States Dollar (USD)	(97.49)	(7,324.51)	(127.34)	(9,315.38)
	(97.49)	**(7,324.51)**	**(127.34)**	**(9,315.38)**
Assets				
United States Dollar (USD)	36.08	2,734.57	26.27	1,931.24
	36.08	**2,734.57**	**26.27**	**1,931.24**
Net foreign currency denominated monetory liability/(asset) (total)				
United States Dollar (USD)	(61.41)	(4,589.95)	(101.07)	(7,384.14)
Foreign exchange derivatives				
USD (Hedged) - Currency swaps against foreign currency borrowings	(13.97)	(994.74)	(19.38)	(1,379.50)
Net foreign currency denominated monetory liability/(asset) (unhedged)				
United States Dollar (USD)	(47.44)	(3,595.20)	(81.69)	(6,004.64)

Foreign Currency Risk Sensitivity

The following table demonstrates foreign currency sensitivity on unhedged exposure (1% increase / decrease in foreign exchange rates will have the following impact on profit before tax).

	FY 2021-22		FY 2020-21	
	+ 100 BPS	- 100 BPS	+ 100 BPS	- 100 BPS
United States Dollar (USD)	35.95	(35.95)	60.05	(60.05)

(iii) Equity Price Risk

The Group's investments in listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Holding Company's Board of Directors and the management of the respective subsidiaries reviews and approves all equity investment decisions.

The following table summarises the sensitivity to change in the price of equity securities held by the Group on the Group's Equity and OCI. These changes would not have an effect on profit or loss.

	Impact on other components of equity (OCI)	
	As at 31st March 2022	As at 31st March 2021
5% increase	37.17	29.88
5% decrease	(37.17)	(29.88)

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

39 Financial risk management objectives and policies *(contd...)*

B. 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 for trade receivables and deposits with banks and other financial assets. It is ensured that sales of products are made to customers with appropriate creditworthiness. Outstanding customer receivables are regularly monitored by the respective management of the Group Companies. An impairment analysis is performed at each reporting date on an individual basis for major customers. Credit risk on cash and cash equivalents is limited as the Group generally invests in deposits with banks.

Refer footnotes (d) and (e) below note no. 12 for ageing of trade receivables and movement in credit loss allowance.

C. Liquidity Risk

Liquidity risk is the risk that the Group may not be able to meet its financial obligations without incurring unacceptable losses. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Group consistently generates sufficient cash flows from operations or from cash and cash equivalents to meet its financial obligations including lease liabilities as and when they fall due.

(i) Financing arrangements

Particulars	March 31, 2022	March 31, 2021
Committed borrowing facilities		
- Amount used	33,193.61	15,772.19
- Amount unused	6,724.39	10,259.01
Total	**39,918.00**	**26,031.20**

(ii) Maturity profile of financial liabilities

	March 31, 2022		
	Less than 1 year	Between 1 to 5 years	Over 5 years
As on 31st March, 2022			
Borrowings	25,699.09	10,558.42	-
Lease Liabilities	31.46	54.06	-
Trade Payables	12,378.83	-	-
Other Financial Liabilities	1,614.91	-	-
	39,724.29	**10,612.48**	**-**
As on 31st March, 2021			
Borrowings	13,296.61	7,506.53	-
Lease Liabilities	47.75	23.67	-
Trade Payables	10,720.62	-	
Other Financial Liabilities	2,526.61	-	-
	26,591.59	**7,530.20**	**-**

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

39 Financial risk management objectives and policies *(contd...)*

D. Capital Management

For the purpose of the Group's capital management, capital includes issued equity capital of the Holding Company, and all other equity reserves attributable to the equity shareholders of the Holding Company. The primary objective of the Group's capital management is to maximise the shareholder value, safeguard business continuity and support the growth of the Group as a whole. The Group manages its capital structure and makes suitable adjustments in light of changes in economic conditions.

The Holding Company monitors capital using a gearing ratio, which is net debt divided by total capital. The Holding Company includes within net debt outstanding liabilities towards Borrowings, obligations towards lease less cash and cash equivalents, other unrestricted balances with banks and current investments.

Particulars	March 31, 2022	March 31, 2021
Borrowings - Current and Non-Current	36,257.51	20,803.14
Long-term maturities of Lease obligations	54.06	23.67
Current maturities of Lease obligations	31.46	47.75
Less: cash and cash equivalent	2,504.68	1,283.34
Less: other balances with banks	2,033.55	1,815.09
Less: current investments	456.49	400.06
Net Debts	**41,337.76**	**24,373.06**
Total Equity	64,890.36	50,857.22
% Net debt to equity ratio	**63.70%**	**47.92%**

40 Additional regulatory information required by schedule III to the Companies Act, 2013

(a) The Parent and Indian subsidiaries do not have any benami property held in its name. No proceedings have been initiated on or are pending against the Parent and Indian subsidiaries for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(b) The Parent and Indian subsidiaries do not have any transactions or relationships with any companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956.

(c) The Parent and Indian subsidiaries have complied with the requirement with respect to number of layers as prescribed under section 2(87) of the Companies Act, 2013 read with the Companies (Restriction on number of layers) Rules, 2017.

(d) Utilisation of borrowed funds and share premium:

(i) The Parent and Indian Subsidiaries have 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 Parent Company (Ultimate Beneficiaries) or

- Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

(ii) The Parent and Indian Subsidiaries have 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:

- 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.

(e) There is no income surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961 (such as search or survey), that has not been recorded in the books of account.

(f) The Group has not traded or invested in crypto currency or virtual currency during the year.

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

41 Recent Pronouncements

A. Amendment to Ind AS 109 "Financial Instruments" and Ind AS 107 "Financial Instruments: Disclosures" - Interest rate Benchmark Reform Phase 2

The amendment focuses on the potential financial reporting issues that may arise when interest rate benchmarking reforms are either reformed or replaced. The key reliefs provided by the Phase 2 amendments are:

(a) Changes to contractual cash flows - When changing the basis for determining contractual cash flows for financial assets and liabilities (including lease liabilities), the reliefs have the effect that the changes that are required by an interest rate benchmark reform will not result in an immediate gain or loss in the profit and loss statement.

(b) Hedge accounting - The hedge accounting reliefs will allow most Ind AS 39 or Ind AS 109 hedge relationships that are directly affected by IBOR reform to continue. However, additional ineffectiveness might need to be recorded.

The Group does not expect the amendment to have any significant impact on its financial statements.

B. Amendment to Ind AS 103 "Business Combination" – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103 – Business Combinations. The Group does not expect the amendment to have any significant impact on its financial statements.

C. Amendment to Ind AS 16 "Property, Plant and Equipment" – Proceeds before intended use

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognized in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The Group does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

D. Code on Social Security, 2020 - Employee benefits during employment and post-employment

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment received Indian Parliament approval and Presidential assent in September 2020. The Code has been published in the Gazette of India and subsequently on November 13, 2020. Draft rules were published and invited for stakeholders' suggestions. However, the date on which the Code will come into effect has not been notified. 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.

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

42 Disclosure of additional information pertaining to the parent, subsidiary and joint venture companies as per Schedule III of the Companies Act, 2013

(₹ in lakh)

Name of Entities	Net Assets		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount (₹ in Lakhs)	As % of consolidated profit or loss	Amount (₹ in Lakhs)	As % of consolidated other comprehensive income "	Amount (₹ in Lakhs)	As % of consolidated total comprehensive income	Amount (₹ in Lakhs)
Holding Company								
Valiant Organics Limited	97.34%	60,313.06	77.16%	10,293.82	120.68%	71.89	77.35%	10,365.71
Indian Subsidiaries			-		-		-	-
1. Dhanvallabh Venture LLP*	0.00%	0.50	2.31%	308.06	0.00%	-	2.30%	308.06
2. Valiant Laboratories Limited (Through Dhanvallabh Ventures LLP as partner)*	2.63%	1,628.00	20.54%	2,739.83	-20.68%	(12.32)	20.35%	2,727.51
3. Valiant Speciality Chemical Limited	0.04%	21.91	-0.01%	(0.90)	0.00%	-	-0.01%	(0.90)
Total [A]		**61,963.47**		**13,340.81**		**59.57**		**13,400.38**
(a) Adjustments arising out of consolidation		2,926.89		913.37		(6.68)		906.69
(b) Non-controlling Interest		-		(1,462.90)		6.68		(1,456.22)
Total [B]		**2,926.89**		**(549.53)**		**-**		**(549.53)**
Consolidated [A + B]		**64,890.35**		**12,791.28**		**59.57**		**12,850.85**

Notes:

1. Net Assets of Partnership firms represents total fixed capital of partners. Current account of partners are reflected in short-term borrowings in consolidated financial statements.
2. Profit attributable to minority interest is reflected in current account of partners as subsidiary entities are partnership firms.
3. Holding Company being partner, its share of profits in subsidiary entities is reflected in its standalone financial statements.

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

43 Ratio Analysis

(₹ in lakh)

Sr. No.	Ratio	Numerator	Denominator	As at 31st March 2022	As at 31st March 2021	% Change	Reason for variance
1	Current ratio	Current Assets	Current Liabilities = Total current liabilities - Current maturities of non-current borrowings and lease obligations	1.42	1.22	15.55%	Current assets increased on account of Trade Receivables and Cash & equivalents significantly, while current liabilities increased but to a lower extent.
2	Net Debt- Equity ratio	Net debt = Non-current borrowings + Current borrowings + Non-current and current lease liabilities - Current investments - Cash and cash equivalents - Other balances with banks (including non-current earmarked balances)	Average Equity [Equity = Equity share capital + Other equity]	0.48	0.34	41.40%	Borrowings increased significantly (mainly short term borrowings) as compared to average equity increase.
3	Debt Service Coverage ratio	Earnings for debt service = Net Profit before tax + Non-cash operating expenses (depreciation and amortisation) + Net finance cost + other adjustments like Loss on sale of property, plant and equipment [Net finance cost = Finance costs (excluding interest on current borrowings) - Interest income - Dividend income from current investments - Net gain/(loss) on sale of current investments]	Debt service = Interest payable & Lease Payments + Principal Repayments of long term borrowings (excluding prepayments)	1.60	2.12	-24.58%	Earnings decreased mainly due to increase in Raw Material Cost while Long Term debt increased as compared to previous year.
4	Return on Equity ratio	Profit after tax	Average total equity [Equity = Equity share capital + Other equity]	22.94%	28.97%	-20.84%	Profits decreased mainly due to increase in costs such as Raw Material Costs, depreciation and other expenses while Average Total Equity also increased as compared to previous year.
5	Inventory Turnover ratio	Cost of goods sold	Average Inventory	8.69	7.32	18.64%	Raw Material Cost increased significantly along with increase in inventory due to market volatility.

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

43 Ratio Analysis

(₹ in lakh)

Sr. No.	Ratio	Numerator	Denominator	As at 31st March 2022	As at 31st March 2021	% Change	Reason for variance
6	Trade Receivable Turnover ratio	Revenue from Sale of Products and Services	Average Trade Receivable	4.83	5.22	-7.45%	Revenue increased on account of higher pricing & new products as well as Trade receivables.
7	Trade Payable Turnover ratio	Adjusted Expenses [Adjusted Expenses = Total Expenses - Finance Cost - Depreciation and Amortisation Expense – Employee Benefit Expenses – Other expenses with respect to Rates & Taxes, Provision for Doubtful Debts, Sundry Balances Written-off, CSR and Foreign Exchange Gain/Loss]	Average Trade Payables	7.84	5.29	48.28%	Raw Material Cost increased much more than the average Trade Payables.
8	Net Capital Turnover ratio	Revenue from Operations	Average Working capital = Current assets – Current liabilities	15.35	17.26	-11.05%	Revenue increased on account of higher pricing & new products as compared to increase in average working capital.
9	Net Profit ratio	Profit after tax	Revenue from operations	11.09%	17.34%	-36.03%	Profits decreased mainly due to increase in costs such as Raw Material Costs, depreciation, and other expenses even though the revenue from operations increased.
10	Return on Capital Employed	Earnings before interest and tax	Average Capital Employed [Capital Employed = Total Equity + Total Debt]	21.14%	30.57%	-30.86%	Profits decreased mainly due to increase in costs such as Raw Material Costs, depreciation, and other expenses while Average Capital Employed increased.
11	Return on Investment	Income generated from Investments	Average Investments	11.88%	50.93%	-76.67%	This is mainly due to reconstitution of step-down subsidiary from Partnership Firm to a Limited Liability Company since share of profit in subsidiary is recognised in the standalone financials of the holding company only on distribution.

VALIANT ORGANICS LIMITED

CIN: L24230MH2005PLC151348
Regd. Office: 109, Udyog Kshetra, 1st Floor, Mulund-Goregaon Link Road, Mulund (West), Mumbai – 400 080
Ph No: +91-22-6797 6683 **Website:** www.valiantorganics.com **Email id:** investor@valiantorganics.com

Notice of Annual General Meeting

Notice is hereby given that the Seventeenth Annual General Meeting of the Members of **VALIANT ORGANICS LIMITED** will be held on **Wednesday, September 28, 2022 at 11:30 a.m. (IST)** through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following Businesses:

ORDINARY BUSINESS:

1) To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements for the financial year ended March 31, 2022 together with the Reports of the Auditors and the Board of Directors' thereon.

2) To declare the dividend @35% ie. ₹ 3.50/- per Equity Share of ₹ 10/- each for the Financial year ended March 31, 2022.

3) To appoint a Director in place of Shri Mahek M. Chheda (DIN: 06763870), who is liable to retire by rotation and being eligible, offers himself for re-appointment.

4) To appoint a Director in place of Shri Vishnu J. Sawant (DIN:03477593), who is liable to retire by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

5) Appointment of Shri Navin C. Shah(DIN:01415556) as an Independent Director of the Company.

To consider and if thought fit, to pass with or without modification(s), the following resolution as **Special Resolution:**

"RESOLVED THAT pursuant to Section 149, 152 and other applicable provisions of Companies Act, 2013 ('Act') and the rules made thereunder read with Schedule IV of the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modifications or re-enactment thereof and rules made thereunder, for the time being in force), in accordance with the recommendation of Nomination and Remuneration Committee, and the Board of Directors, Shri Navin C. Shah (DIN: 01415556),who was appointed as an Additional Director in the category of Independent Director and holds office until the date of this Annual General Meeting, be and is hereby appointed as an Independent Director, not liable to retire by rotation, to hold office for a period of 3 (three) years with effect from August 04, 2022.

RESOLVED FURTHER THAT the Executive Directors & Key Managerial Personnel be and are hereby severally authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

6) Appointment of Smt. Sonal A. Vira (DIN: 09505883)as an Independent Director of the Company.

To consider and if thought fit, to pass with or without modification(s), the following resolution as **Special Resolution:**

"RESOLVED THAT pursuant to Section 149, 152 and other applicable provisions of Companies Act, 2013 ('Act') and the rules made thereunder read with Schedule IV of the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modifications or re-enactment thereof and rules made thereunder, for the time being in force), in accordance with the recommendation of Nomination and Remuneration Committee, and the Board of Directors, Smt. Sonal A. Vira (DIN: 09505883),who was appointed as an Additional Director in the category of Independent Director and holds office until the date of this Annual General Meeting, be and is hereby appointed as an Independent Director, not liable to retire by rotation, to hold office for a period of 3 (three) years with effect from August 04, 2022.

RESOLVED FURTHER THAT the Executive Directors & Key Managerial Personnel be and are hereby severally authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

7) **Approval for re-appointment of Shri Mahek M. Chheda (DIN: 06763870) as an Executive Director of the Company:**

To consider and if thought fit, to pass with or without modification(s),the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to provisions of sections 196, 197, 198 and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and Schedule V of the Companies Act, 2013, approval of the members of the Company be and is hereby accorded for the reappointment of Shri Mahek M. Chheda (DIN: 06763870) as an Executive Director of the Company for a period of 5(Five) Years with effect from July 06, 2023 as per the terms and conditions as set out in the Explanatory Statement annexed to this notice.

RESOLVED FURTHER THAT the remuneration payable to Shri Mahek M. Chheda, shall not exceed the overall ceiling of the total managerial remuneration as provided under section 197 and Schedule V of the Companies Act, 2013 or such other limits as may be prescribed from time to time.

RESOLVED FURTHER THAT the Key Managerial Personnel of the Company be and are hereby severally authorised to do all acts, deeds, matters and things as may be considered necessary, usual or expedient to give effect to the aforesaid resolution."

8) **Approval to remuneration of Cost Auditor for FY 2022–23.**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to Section 148 and other applicable provisions if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any Statutory modifications(s) or re-enactment(s) thereof, for the time being in force, the remuneration of ₹ 1,75,000/- (Rupees One lakh seventy-five thousand only) plus Tax as applicable and reimbursement for out of pocket expenses to be paid to Ms. Ketki D. Visariya, Cost Accountant (Membership Number 16028), appointed by the Board of Directors based on the recommendation of the Audit Committee, as Cost Auditors of the Company to conduct the audit of cost records of the Company for the financial year ending March 31, 2023, be and is hereby ratified and confirmed.

"RESOLVED FURTHER THAT the Executive Directors & Key Managerial Personnel be and are hereby severally authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

Registered Office:	**By order of the Board**
109, Udyog Kshetra, First Floor,	
Mulund Goregaon Link Road,	Sd/-
Mulund (W) -400080	**Avani D. Lakhani**
Place: Mumbai	Company Secretary
Date: August 04, 2022	ICSI M. No. A47118

NOTES:

1. In compliance with Circular No. 14/2020 dated April 8, 2020, Circular No. 17/2020 dated April 13, 2020, and Circular No. 33/2020 dated September 28, 2020, and General Circular Nos. 39/2020 dated December 31, 2020, 10/2021 dated June 23, 2021, 20/2021 dated December 8, and 2/2022 dated May 05, 2022 issued by the Ministry of Corporate Affairs ("MCA") (hereinafter collectively referred to as "MCA Circulars") and the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the 17th AGM of the Company is being held through VC/OAVM without the physical presence of members at a common venue. The deemed venue for the 17th AGM shall be the Registered Office of the Company.

2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. Hence the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/ OAVM and participate there at and cast their votes through e-voting.

3. The Members can join the AGM in the VC/OAVM 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/OAVM will be made available for 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.

4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

5. 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 Regulations (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 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 National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.

6. In compliance with the MCA &SEBI Circulars, Notice of the AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company's Registrar and Share Transfer Agent/ Depositories. Members may note that the Notice and Annual Report 2021-22 will also be available on the Company's website at www.valiantorganics.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 and www.nseindia.com respectively and also on the website of NSDL (agency for providing the Remote e-Voting facility) at www.evoting.nsdl.com.

7. Members holding shares of the Company as on Wednesday, September 21, 2022, shall be entitled to vote at the Annual General Meeting of the Company. A person who is not a member as on the cut-off date should treat this notice for information purposes only.

8. In the case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM through e-voting.

9. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of Item Nos. 5 to 8 in the Notice of this Annual General Meeting is annexed hereto and forms part of the Notice.

10. Statement giving details of the Directors seeking reappointment is also annexed with this Notice pursuant to the requirement of Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meeting ("SS-2").

11. All the relevant documents referred to in this AGM Notice and Explanatory Statement etc., Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 and Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013 and other documents shall be available electronically for inspection by the members at the AGM. Members seeking to inspect such documents can send an e-mail to investor@valiantorganics.com from their registered e-mail address.

12. If the dividend, as recommended by the Board of

Directors, is approved at the AGM, payment of such dividend subject to deduction of tax at source. will be made within the statutory timeline as under:

i. To all Beneficial Owners in respect of shares held in dematerialised form as per the data as may be made available by the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) as of the close of business hours on September 21, 2022.

ii. To all Members in respect of shares held in physical form after giving effect to valid transmission or transposition requests lodged with the Company as of the close of business hours on September 21, 2022.

13. The Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company's Registrar and Share Transfer Agent, Link Intime (India) Private Limited.

14. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the Listed Companies to issue securities in demat form only while processing service requests viz. Issue of duplicate securities certificate; 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 at www.valiantorganics.com. It may be noted that, any service request can be processed only after the folio is KYC compliant. 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.

15. Members holding shares in dematerialised form are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR code and IFSC code, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their depository participant (DP). Members holding shares in physical form are requested to intimate such changes to the Company's Registrar and Share Transfer Agent, Link Intime (India) Private Limited.

16. As per the provisions of Section 72 of the Act, facility for making nomination is available to Individuals holding shares in the Company. Members holding shares in physical form who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. Members may download the Nomination Form from the Company's website at www.valiantorganics.com. Members holding shares in demat mode should file their nominationwith their Depository Participant for availing this facility.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER: -

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), 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 availed services of National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorised agency. The facility of casting votes by a member using a remote e-voting system as well as voting on the date of the AGM will be provided by NSDL.

Pursuant to aforesaid Regulations, login method for remote e-voting for Individual shareholders holding securities in demat mode with CDSL / NSDL is given below:

The remote e-voting period begins on Sunday, September 25, 2022 at 9:00 A.M. and ends on Tuesday, September 27, 2022 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) Wednesday i.e. September 21, 2022, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date.

The details of the process and manner for remote e-voting are explained herein below:

How do I vote electronically using the NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting for Individual shareholders holding securities in demat mode

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 to access e-Voting facility.

Login method for Individual members holding securities in demat mode is given below:

Type of members	Login Method
Individual Members holding securities in demat mode with NSDL.	1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added 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 i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp. 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ 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 i.e., NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period. 4. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play
Individual Members holding securities in demat mode with CDSL	1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where e-Voting is in progress.

Type of members	Login Method
Individual Members (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. 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 i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.

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 Members holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

B) **Login Method for e-Voting for joining virtual meeting for Shareholders other than Individual shareholders holding securities in demat mode and Members holding securities in physical mode.**

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open a web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 121486 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
    a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
    b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
    c) How to retrieve your 'initial password'?
        (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The pdf file contains your 'User ID' and your 'initial password'.
        (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
    a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
    b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
    c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
    d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle.
2. Select "EVEN" of Valiant Organics Limited-121486
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

Process for those Members whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide 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 investor@valiantorganics.com
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to investor@valiantorganics.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at

step 1 (A) i.e. Login method for e-Voting for Individual members holding securities in demat mode.

3. Alternatively, shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.

4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual members holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. members are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

The instructions for members for e-voting on the day of the AGM are as under:

1. The procedure for e-Voting on the day of the AGM is the same as the instructions mentioned above for remote e-voting.

2. Only those Members, who will be 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 in the AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

4. In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for Members and e-voting user manual for Members available at the download section of www.evoting.nsdl.com or call on toll free No. 1800 1020 990 and 1800 22 44 30 or send a request to Mr. Amit Vishal, Asst. Vice President - NSDL at evoting@nsdl.co.in.

General Guidelines for Members

1. The Company has appointed Mr. Sunil M. Dedhia, Practising Company Secretary (Membership No.F3483 and Certificate of Practice No.2031), Proprietor of Sunil M. Dedhia and Co.,Company Secretaries, as scrutiniser (the 'Scrutiniser') for conducting the e-voting and remote e-voting process for the Annual General Meeting in a fair and transparent manner.

2. Institutional Members (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to sunil@sunildedhia.com with a copy marked to evoting@nsdl.co.in.

3. 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.evoting.nsdl.com to reset the password.

4. A person, whose name is recorded in the register of members or in the register of beneficial owners as on the cut-off date, Wednesday, September 21, 2022 only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through e-voting.

5. Any person holding shares in physical form and nonindividual members, who acquires shares of the Company and becomes a Member of the Company after sending of Notice and holding shares as of the cut-off date i.e. Wednesday, September 21, 2022, may obtain the login ID and password by sending a request at evoting@nsdl. co.in. However, if he / she is already registered with NSDL for remote e-Voting then he / she can use his/ her existing User ID and password for casting the vote. If you forget your password, you can reset your password by using "Forgot User Details/Password "option available on www.evoting.nsdl.com. In case of Individual Members holding securities in demat mode and 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 follow steps mentioned below under "Login method for remote e-Voting and joining virtual meeting for Individual members holding securities in demat mode."

6. The Scrutiniser shall after the conclusion of voting at the AGM, will count the votes cast at the meeting through e-voting and thereafter unblock the votes cast through remote e-voting and shall not later than two working days of the conclusion of the AGM, make a consolidated scrutiniser'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 and declare the result of the voting forthwith.

7. The Results declared along with the report of the Scrutiniser shall be placed on the website of the Company www.valiantorganics.com and on the website

of NSDL www.evoting.nsdl.com.The Company shall simultaneously forward the results to National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed.

THE INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for access to the NSDL e-Voting system. After successful login, you can see the "VC/ OAVM link" placed under the "Join general meeting" menu against the Company name. You are requested to click on the VC/OAVM link placed under the Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of the Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.

3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

4. 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.

5. The Members can join the AGM in the VC/OAVM mode 30 minutes before 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/ OAVM will be made available for 1,000 members on first come first served basis. This will not include large Members (Members 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, Secretarial Auditors, etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

6. Members who would like to express their views/ have questions may send their questions in advance mentioning their name demat account number/ folio number, email id, mobile number at (investor@ valiantorganics.com). The same will be replied by the Company suitably.

7. Members who would like to express their views or ask questions during the meeting may register themselves as a speaker by sending their requests from their registered email ID mentioning their name, demat account number/folio number, PAN , mobile number at investor@ valiantorganics.com at least 5 days before the date of AGM .Those members who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

8. Members can raise questions at the AGM through a chat box and they are requested to frame their questions precisely. Once the member clicks the link for VC/ OVAM in shareholder/members login where the EVEN of the Company will be displayed, Members will be able to view AGM VC/OVAM proceedings along with the chat box. The questions raised by the Members will be replied by the Company suitably.

Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 ("the Act")

The following Explanatory sets out all the material facts relating to the items of special business mentioned in the Notice.

Item No. 5

The Board of Directors upon recommendation of the Nomination and Remuneration Committee in their Meeting held on August 04,2022 appointed Shri Navin C.Shah(DIN:01415556) as an Additional Director in the category of Non-Executive Independent Director with effect from August 04,2022. Pursuant to the provisions of Section 161 of the Companies Act, 2013, he holds office of Director upto the date of this Annual General Meeting.

Shri Navin C.Shah holds a bachelor's degree in commerce and is a Chartered Accountant. He is a practicing Chartered Accountant with more than 37 years of experience in the field of Income Tax related matters. He has expertise in Goods and Service Tax (GST).

Considering the extensive knowledge and experience as well as his educational background,the Nomination & Remuneration Committee and the Board of Directors of the Company are of the opinion that his association would be of immense benefit to the Company and his continued association with the Company as a Non- Executive Independent Director would be of a great advantage. The Nomination and Remuneration Committee has recommended his appointment.

The Company has received a declaration from him that he meets the criteria of independence as prescribed under Section 149 (6) of the Act and under Regulation 16 of the Listing Regulations. Shri Navin C. Shah has confirmed that he is neither disqualified from being appointed as a Director in terms of Section 164 of the Act nor debarred from holding office as a Director of the company, by virtue of any SEBI Order or any other such authority and given his consent to act as a Director.The Board is of opinion that he fulfils the conditions specified in the Act and the Rules made thereunder and is independent of the management.

Details pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India is attached as Annexure- I.

Copy of the letter for appointment proposed to be issued to Shri Navin C. Shah as an Independent Director setting out the terms and conditions thereof is available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on all working days up to the date of the Annual General Meeting.

Except Shri Navin C. Shah, none of the Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution. The relatives of Shri Navin C. Shah may be deemed to be interested in the said resolution, to the extent of their respective shareholding, if any, in the Company.

The Board of Directors recommends passing of the resolution as set out at item no. 5 of this Notice as a Special Resolution.

Item No. 6

The Board of Directors upon recommendation of the Nomination and Remuneration Committee in their Meeting held on August 04,2022 appointed Smt. Sonal A. Vira (DIN:09505883) as an Additional Director in the category of Non-Executive Independent Director with effect from August 04,2022. Pursuant to the provisions of Section 161 of the Companies Act, 2013, Smt. Sonal A. Vira holds office of Director upto the date of this Annual General Meeting.

Smt. Sonal A. Vira holds a bachelor's degree in commerce and is a Chartered Accountant. She is a Seasoned Corporate Banker with over 14 years of experience across International and Domestic Banks. She has deep rooted relationships with treasury decision makers across most large conglomerates and Tier A Business Houses, Specialist in Complete P&L management for the assigned Geography's Debt Book. Extensive Track record of handling large transactions across the life cycle of the Credit Covering and strong understanding of Risk, Indian Banking Laws and compliance.

Considering the extensive knowledge and experience as well as her educational background,the Nomination & Remuneration Committee and the Board of Directors of the Company are of the opinion that her association would be of immense benefit to the Company and her continued association with the Company as a Non- Executive Independent Director would be of a great advantage. The Nomination and Remuneration Committee has recommended her appointment.

The Company has received a declaration from her that she meets the criteria of independence as prescribed under Section 149 (6) of the Act and under Regulation 16 of the Listing Regulations Smt. Sonal A. Vira has confirmed that she is neither disqualified from being appointed as a Director in terms of Section 164 of the Act nor debarred from holding office as a Director of the company, by virtue of any SEBI Order or any other such authority and given her consent to act as a Director.The Board is of opinion that she fulfils the conditions specified in the Act and the Rules made thereunder and is independent of the management.

Details pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India is attached as Annexure- I.

Copy of the letter for appointment proposed to be issued to Smt. Sonal A. Vira as an Independent Director setting out the terms and conditions thereof is available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on all working days up to the date of the Annual General Meeting.

Except Smt. Sonal A. Vira, none of the Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution. The relatives of Smt. Sonal A. Vira may be deemed to be interested in the said resolution, to the extent of their respective shareholding, if any, in the Company.

The Board of Directors recommends passing of the resolution as set out at item no. 6 of this Notice as a Special Resolution.

Item No. 7

The members of the Company, at their 15th Annual General Meeting held on September 29, 2020 appointed Shri Mahek M. Chheda (DIN: 06763870) as an Executive Director of the Company for a term of 3(three) years upto July 05, 2023, liable to retire by rotation. Further, based on recommendation and approval of the Nomination and Remuneration Committee, the Board of Directors in their meeting held on August 04, 2022 approved re-appointment of Shri Mahek M. Chheda as an Executive Director of the Company w.e.f. July 06,2023 for the further period of 5(Five) years subject to the members' approval.

Shri Mahek M. Chheda is B.Sc. in Business from University of London having more than 7 years of work experience in the field of Finance, Marketing and Business Development. His experience has helped the Company to emerge as one of the leading Speciality Chemicals Company in the Country.

Further, pursuant to provision of section 197 read with provisions of Secretarial Standards – 2, the key terms of appointment are provided hereunder:

Sr. No.	Particulars	Details
1.	Date of Reappointment	July 06,2023
2.	Tenure	5 years
3.	Remuneration:	
	a. Salary	₹ 22,00,000/- per annum
	b. Commission, if any	As may be decided by NRC (in aggregate commission upto 1% of Net Profit.)
	c. ESOP, if any	As may be decided by the NRC.
4.	Other Perquisite & Benefits :	As per the Company's policy

Shri Mahek M. Chheda has confirmed his eligibility to act as a Director and he is not debarred from holding office of Director of the Company, by virtue of any SEBI Order or any other such authority. He further has consented for his re-appointment as an Executive Director. The Board of Directors, has taken on record the various declarations and confirmations submitted by Shri Mahek M. Chheda.

Details pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India is attached as Annexure- I.

The Nomination & Remuneration Committee and the Board of Directors of the Company are of the opinion that his association would be of immense benefit to the Company and it is desirable to avail his services as an Executive Director.The Nomination and Remuneration Committee has recommended his appointment.

Except Shri Mahek M. Chheda, none of the Directors or Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested, financially or otherwise, in the said resolution. The relatives of Shri Mahek M. Chheda may be deemed to be interested in the said resolution, to the extent of their respective shareholding, if any, in the Company.

The Board of Directors recommends passing of the resolution as set out at item no. 7 of this Notice as an Ordinary Resolution.

Item No. 8

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014, the Board on the recommendation of the Audit Committee, has approved the re-appointment Ms. Ketki D. Visariya (Membership No. 16028), Cost Accountant at the Board Meeting as the Cost Auditor to conduct the audit of cost records of the Company for the financial year ending March 31, 2023.

As per Rule 14 of Companies (Audit and Auditors) Rules 2014, 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.

Accordingly, ratification by the members is sought to the remuneration payable to the Cost Auditors for the financial year ending March 31, 2023 by passing an Ordinary Resolution.

None of the Directors, Key Managerial Personnel or their relatives is, in any way concerned or interested, financially or otherwise, in the said resolution.

Your Directors recommend the resolution for your approval as an Ordinary Resolution as set out as Item No. 8 of the Notice.

Registered Office:	**By order of the Board**
109, Udyog Kshetra, First Floor,	
Mulund Goregaon Link Road,	Sd/-
Mulund (W) -400080	**Avani D. Lakhani**
Place: Mumbai	Company Secretary
Date: August 04, 2022	ICSI M. No. A47118

Annexure-I

DETAILS OF DIRECTORS RETIRING BY ROTATION AND SEEKING RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING:

Name of the Director	Shri Mahek M. Chheda	Shri Vishnu J. Sawant	Shri Navin C.Shah	Smt. Sonal A. Vira
Director Identification Number (DIN)	06763870	03477593	01415556	09505883
Date of Birth	November 11, 1990	June 01, 1962	February 22, 1961	October 20, 1982
Age	31 Years	60 Years	61 Years	39 Years
Date of appointment on the Board	July 06, 2017	April 06, 2011	August 04, 2022	August 04,2022
Qualifications	B.Sc. in Business from college affiliated with University of London	B.Sc	B.Com and Chartered Accountant	B.Com and Chartered Accountant
Experience and expertise in specific functional areas	Shri Mahek M. Chheda is having more than 7 years of work experience in the field of Finance, Marketing and Business Development. His experience has helped the Company to emerge as one of the leading Speciality Chemicals Company in the Country.	Having more than three decades of experience in the Chemical Industry. He is currently responsible for running the entire operations of the Company at factory level.His technical experience has helped the Company to emerge as one of the leading Speciality Chemicals Company in the Country.	Shri Navin C.Shah holds a bachelor's degree in commerce and is a Chartered Accountant. He is a practicing Chartered Accountant with more than 37 years of experience in the field of Income Tax related matters having expertise in Goods and Service Tax (GST).	Smt. Sonal A. Vira is a Seasoned Corporate Banker with over 14 years of experience across International and Domestic Banks. She has deep rooted relationships with treasury decision makers across most large conglomerates and Tier A Business Houses, Specialist in Complete P&L management for the assigned Geography's Debt Book. Extensive Track record of handling large transactions across the life cycle of the Credit Covering and strong understanding of Risk, Indian Banking Laws and compliance.
Remuneration last drawn (including sitting fees, if any)	Refer to Directors' Report and Corporate Governance Report forming part of the Annual Report		Nil	Nil
Remuneration proposed to be paid	₹ 22,00,000/- per annum, commission and ESOP, if any as may be decided by NRC, as approved by the Members of the Company through Postal Ballot on June 15,2022	₹ 20,40,000/- per annum, commission and ESOP if any as may be decided by NRC, as approved by the Members of the Company through Postal Ballot on June 15,2022	Shri Navin Shah being a Non-Executive Director shall be paid sitting fees and reimbursement of Expenses for attending Board and/ or Committee Meetings.	Smt. Sonal Vira being a Non-Executive Director shall be paid sitting fees and reimbursement of Expenses for attending Board and/ or Committee Meetings.

Name of the Director	Shri Mahek M. Chheda	Shri Vishnu J. Sawant	Shri Navin C.Shah	Smt. Sonal A. Vira
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	None	None	None	None
Number of meetings of the Board attended during the year	5	5	Nil	Nil
Directorships held in other companies	- Valiant Speciality Chemical Limited - Gyms for All (India) Limited - Wearable Frameable Studio Private Limited	Nil	- Aarti Drugs Limited - Pinnacle Life Science Private Limited	- Valiant Laboratories Limited
Memberships/ Chairmanships of committees of other companies	NIL	NIL	- **Aarti Drugs Limited** Audit Committee-Chairperson Nomination & Remuneration Committee - Chairperson Stakeholders Relationship Committee-Member Corporate Social Responsibility Committee - Chairperson - **Pinnacle Life Science Private Limited** Corporate Social Responsibility Committee-Chairperson	- **Valiant Laboratories Limited** Audit Committee-Member Nomination & Remuneration Committee-Chairperson Stakeholders Relationship Committee-Member
No. of shares held in the Company	67,200	100	0	35

Valiant Organics
Limited