

33rd Annual Report
2021-22



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<http://www.igpetro.com/annual-report/>



Or simply scan to download

Investor Information

Market Capitalization as at 31 st March 2022	₹ 2,157.64 crores
CIN	L51496GA1988PLC000915
BSE Code	500199
NSE Symbol	IGPL
Dividend	₹ 10
AGM Date	10 th August, 2022 at 2:30 PM
AGM Venue/Mode	Video Conference/Other Audio Visual Means

Disclaimer This document contains statements about expected future events and financials of I G Petrochemicals 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 may 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 Discussion and Analysis of this Annual Report.

THE IGPL ADVANTAGE



Leading manufacturer of PAN and sole manufacturer of MAN

IGPL is one of the largest manufacturers of Phthalic Anhydride in the world. It has state-of-the-art and fully integrated manufacturing facilities for production of PA, MA, Benzoic Acid and DEP at single location at Taloja, which provides economies of scale and benefit in terms of cost effectiveness to the Company.

Diversified customer base

Apart from the traditional usage of PAN in paints, plasticizers and CPC pigments, PAN is also being used in the production of specialty chemicals, agrochemicals, specialized polymers, urethane polyester polyols, etc. The application of PAN has also evolved recently, by using it in making of plastic currency, paper boards, leisure boats, sail of windmills, etc.

Strategic location and lower operating cost

All the manufacturing facilities of IGPL are strategically located at Taloja in close proximity to the Western Chemical Belt, which reduces overall operating cost for sourcing of raw materials as well as supply to the customers.

Robust financial performance

IGPL has achieved excellent operating and financial performance for FY2022 led by FY2021. During FY2022, our Company's total revenue increased by 67.7% while EBITDA increased by 37.1% and PAT increased by 40.7% compared to FY2021.



IGPL AT A GLANCE

Largest producer of PAN and only producer of MAN in India

Incorporated in 1988, I G Petrochemicals Limited is the largest producer of Phthalic Anhydride (PAN) in India with more than 50% market share. IGPL also produces Maleic Anhydride (MAN) and is India's only Maleic Anhydride producer. IGPL also produces Benzoic Acid and Diethyl Phthalate (DEP).



To be a well-diversified chemicals company with a leadership position in Phthalic Anhydride industry.

More than **3** decades
of experience

Largest
PAN manufacturer
at a single location

2nd Largest
PAN manufacturer in the
world

>50%
Domestic market share



Serving 20+ End-user Industries

IGPL offers Phthalic Anhydride, Maleic Anhydride, Benzoic Acid and Advance Plasticizers. We serve various end-users which includes:

Phthalic Anhydride

Plasticizers

- Poly Vinyl Chloride (PVC) products pipes & hoses, boxes, containers
- Packaging films, medical and surgical equipment
- Shoes, wires & cables



Alkyd Resins & Paints

- Paints
- Lacquers
- Dyes insect repellents
- Urethane polyester polyols



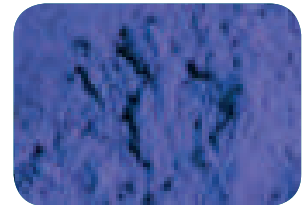
Unsaturated Polyester Resin

- Thermostat for manufacturing of fiberglass-reinforced plastics for automobile, construction, marine and transportation industry segments



CPC Pigments

- Inks
- Photovoltaic cells
- Coatings



Maleic Anhydride

- Spandex (elastics)
- Unsaturated Polyester Resins (UPR)
- Lubricating oil additives
- Personal care products
- Water treatment
- Detergents
- Insecticides and fungicides

Benzoic Acid

- Perfumes
- Dyes
- Topical medications
- Insect repellants
- Food preservatives

Advance Plasticizers

- Incense sticks
- Perfumes
- Plastic packaging film



FROM THE MD'S DESK

Dear Shareholders,

At the outset, I hope you and your family are safe. I am pleased to present your Company's Annual Report for the financial year 2021-22. Your Company has delivered excellent performance in unprecedented times backed by the determination of our people, diversified product portfolio and responsive measures taken at various levels in the wake of uncertainties caused by Covid-19. That most of our clients continued doing business with us in the face of challenges is a validation of their trust in us and in our ability to deliver in difficult times. We put in our best efforts to meet their expectations by moving swiftly to ensure timely deliveries, despite disruption in supply chain and logistics. Ensuring the safety and welfare of our people has always been our first priority. Safety measures and protocols as per government guidelines were implemented for those having to work on site. We leveraged technology to ensure internal and external communication virtually.

We continued with our journey towards strengthening our growth and capabilities. We realigned our strategy and focused on the domestic market playing to our strengths and managed to achieve our business goals. During the first half of the year, we demonstrated robust growth, owing to strong consumer spending and pent up demand ably supported by the stimulus packages and monetary policies of the Government which helped the businesses grow to pre-covid level, thus enabling us to combat the pandemic while navigating the bottlenecks effectively. Towards the end of 2021, the country witnessed the second wave of Covid which we could manage to contain on the back of high rate of vaccination and awareness from the first wave along with other preventive measures. As the year progressed, the second half of the financial year witnessed some volatility with higher crude prices and their cascading effects on other inputs along with inflationary pressures – posing concern for the economy. These concerns were aggravated with Russia- Ukraine's geopolitical conflict. Despite the global challenges, India is expected to retain



its tag as the fastest-growing economy globally in the coming year. And this is what gives us cautious hope for the year ahead.

Industrial Overview

Indian petrochemical industry has huge unrealized potential for growth due to very low level of consumption as compared to global norms. Therefore, its role in achieving the government's vision of USD 5 trillion economy by 2025 cannot be undermined, as it not only ensures import substitute but also provides impetus to the growth of industries like paints, plasticizers, agrochemicals, speciality chemicals and new rising sector like UPR, electronic products, etc.

During the financial year 2021-22, the Petrochemical industry showcased robust growth. Key factors like growing end-user industries, the China +1 diversification model, and increasing demand from new sectors like speciality chemicals, agrochemical industries which acted as the impetus behind the overall growth in industry's demand. The industry did face various headwinds from rising input costs caused by soaring crude oil prices and supply chain disruption. IGPL continues to reap the benefit of being strategically located in close proximity to clients and vendors and has attained the credibility of being a reliable partner.

Your Company is making the right moves to seize the emerging opportunities in the domestic and overseas markets and I am hopeful that shareholders shall be rewarded with the improved performance of your Company in the coming years. On behalf of the Board, I would like to thank all our customers, suppliers, bankers and the government for their support. I convey my sincere appreciation to Team IGPL for its performance and thank all the shareholders for their trust reposed in us.

Operational & Financial Highlights

During the year under review, your Company posted a gross revenue of ₹ 1,891.91 crores against that of ₹ 1,128.36 crores in the previous year, registering a growth of 68%. We achieved an all-time high profit after tax of ₹ 266.72 crores as against ₹ 189.52 crores in the previous year, clocking a growth of 41%. Our increasing focus on business diversification and emphasis on enhancing our non-PAN business is reflected in IGPL's

strong revenues. During 2021-22, our revenue from non-PAN products increased from ₹ 54 crores in the previous fiscal to ₹ 120 crores. We further expanded our product portfolio during the year by adding Diethyl Phthalate (DEP) to our basket. The introduction of DEP boosted IGPL's long-term growth trajectory, and the same is anticipated to be reflected in the coming years. Further, led by end-user industry, we are also witnessing robust demand for PAN products which provided further impetus to our decision to increase our PAN capacity by 53,000 MTPA through brownfield expansion of PA-5 unit. Our results can be attributed to the resilience of our business model and the commitment and dedication of all stakeholders. Notwithstanding the prevailing socio-economic scenario, we managed to surpass all barometers and generated the highest revenues, EBITDA and Profit for 2021-22. We attribute this improvement to better operating leverage of all our plants and an increase in our volume offtake, coupled with higher price realizations.

Outlook

We continue to march forward in our quest for sustainable growth with a defined purpose, improved strategy and well supported by our values. With our diverse, focused and dedicated pool of human resources, we strive to build a sustainable future for ourselves while creating value for our stakeholders. We aim to be a well-diversified chemicals company holding a leadership position in our core business. To achieve this, we are consistently working to diversify our business product range. We intend to expand into various downstream derivatives and specialty chemicals and thereby meet our vision of generating 30% revenue from the non-Phthalic product by 2025.

In the end, I extend my sincere appreciation to Team IGPL, who have consistently demonstrated their resilience and capacity to rise above any adversity. I would also like to express my appreciation to all stakeholders – for entrusting us with the leadership position and their undeterred support.

Best Regards

Nikunj Dhanuka,

Managing Director and CEO

OUR MANUFACTURING CAPACITY & **EXPANSION PLANS**



“

IGPL has four state-of-the-art manufacturing facilities of Phthalic Anhydride (PAN) with a total capacity of 2,22,110 MTPA, 7,660 MTPA of Maleic Anhydride, 1,300 MTPA of Benzoic Acid and 8,400 MTPA of Diethyl Phthalate (DEP). Our manufacturing facilities are strategically located at Taloja in close proximity to port as well as Western Chemical Belt in Maharashtra and Gujarat that renders us logistical advantage.

”

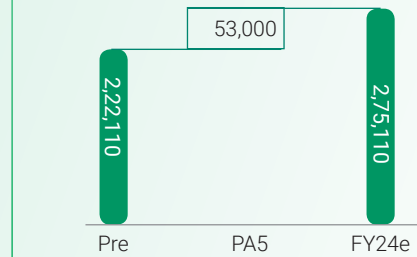
IGPL's plants are designed using low energy-based processes, and engineered under technical collaboration with Lurgi GmbH, Germany. These processes facilitate cost advantage to our Company, and thereon, higher margins. Our manufacturing processes are embedded with six-sigma quality control processes and ERP systems that help us in maintaining quality and higher efficiency. We also undertook various process enhancement initiatives for improved efficiencies and margins.

Our Brownfield Expansion

India currently imports 25% of required Phthalic Anhydride and 85% of required Maleic Anhydride, subject to continuous growth led by the increasing end-user industries. Further, there is a rise in consumption of Alkyd Resins in developing economies, owing to growth in the Paints and Coatings industry. This, in turn, is also increasing demand for the PAN market. To cater to the growing demand of PAN and its derivatives, we're enhancing our manufacturing capacity through a brownfield expansion plan. We are also increasing our capacity of Phthalic Anhydride by 53,000 MTPA, likely to be completed in CY2023. IGPL is investing around ₹ 350 crores for this expansion project which will increase Phthalic Anhydride capacity to 2,75,110 MTPA. We are also expanding our Maleic Anhydride manufacturing capacity by 1,500 MTPA, to 9,160 MTPA. Further, the Company is also planning to widen downstream derivative products and shall expand footprint in the Indian and export markets, to achieve improved operational leverage and profitability thereon.

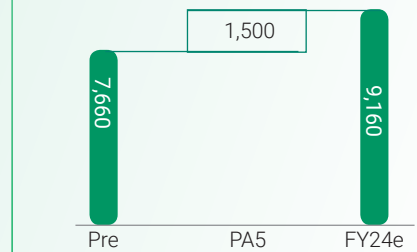
Phthalic Anhydride

Capacity Post PA 5 Expansion (MTPA)



Maleic Anhydride

Capacity Post PA 5 Expansion (MTPA)



Our Manufacturing Capacity (in MTPA)

2,22,110

Phthalic Anhydride

8,400

Diethyl Phthalate

7,660

Maleic Anhydride

1,300

Benzoic Acid

SUSTAINABLE **BUSINESS MODEL**

Ensuring sustenance & long-term success

“

The ecosystem of the Indian Chemical Industry has changed fundamentally, led by a significant response in the policy across various industries. The Phthalic Anhydride market is witnessing a strong demand owing to high growth in the end-user industry which includes specialty chemical, agrochemical, specialized polymer, electrical & electronic products, insect repellents and many others.

”

We serve 20+ end-user industries with over 120 clients. Our marquee clientele and wide reach across the country, give us significant competitive edge. Moreover, with our global industry presence, we generated 11% of our total revenue from exports. Our Company's non-PAN business grew by more than 122%, from ₹ 54 crores in 2020-21 to ₹ 120 crores in 2021-22.

20 +

End-user Industries

120 +

Clients

~11 %

Export Business

IGPL is the lowest cost manufacturer of PAN, and also produces MAN and Benzoic Acid through wash water generated after the production of PAN. This reduces the overall cost of production and facilitates higher margins. We also produce Diethyl Phthalate (DEP).

ROBUST FINANCIAL PERFORMANCE

Leading profitability while optimizing costs

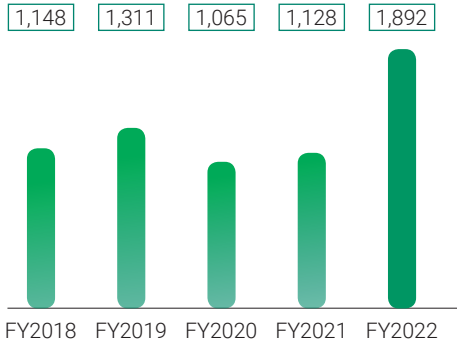
“

We registered a robust financial performance both in terms of revenue as well as profitability, maintaining our progress in continuation to the previous year. Thereon, retaining a high growth trajectory in the PAN & MAN business.

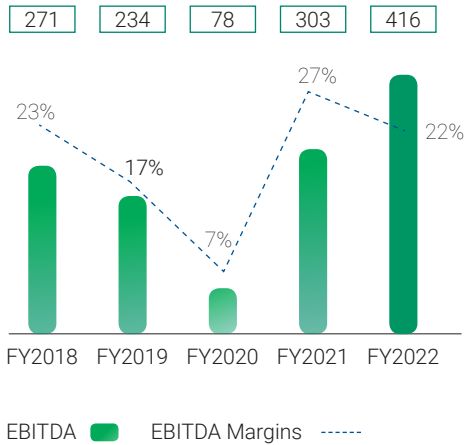
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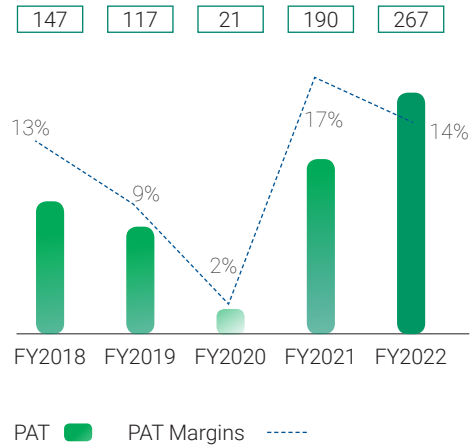
Revenue from Operations (₹ in crores)



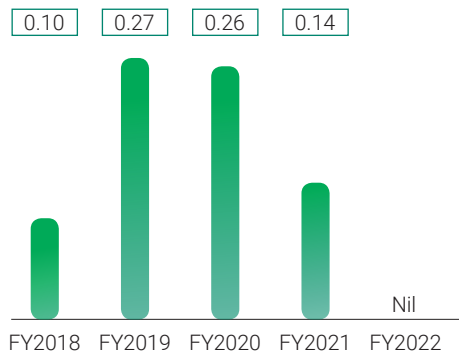
EBITDA & EBITDA Margins (₹ in crores)



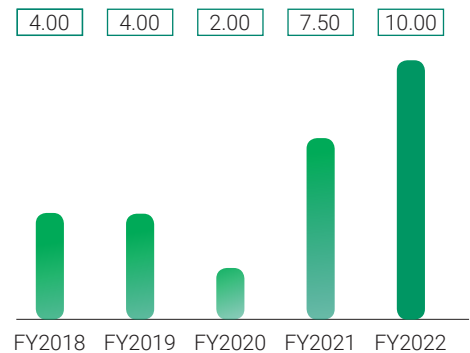
PAT & PAT Margins (₹ in crores)



Net Debt-to-Equity (%)



Dividend (₹ per share)



ENVIRONMENT



Sustainability of Operations

IGPL is very sensitive about the conservation of environment. We have taken various initiative to ensure the sustainability of our business.

IGPL has a full-fledged Effluent Treatment Plant (ETP) to treat all types of effluent generated from our manufacturing plants. We have segregated effluent streams like low COD stream & High COD/TDS streams. The ETP is provided with a centrifuge and filter press to treat hazardous waste/sludge in a disposable manner which is then further sent to Mumbai Waste Management Limited.

IGPL also ordered Tata Power Solar with an investment of Rs. 1.78 crores.

IGPL also recycle and reuse packing bags returned by our customers in consideration of monetary incentives offered to them.

We strive to engage in implementing the following to serve our commitment of facilitating a pollution-free environment:

- Preventing and controlling pollution, maintaining an eco-friendly environment
- Disposing inevitable wastes in an environmental-friendly manner
- Enhancing environmental awareness amongst all our staff, workmen, suppliers, visitors and other stakeholders
- Improving our environmental performance by undertaking more initiatives for conservation of key resources like water, energy, fuel
- Optimizing use of natural resources and maximizing reuse/recycle of wastes

BUILDING SOCIAL RELATIONSHIPS

Nurturing growth and well-being

Human Resource

We believe that the human resource forms the key factor in leading organizational success and thereby, we consider our employees to be our most-valued asset. Our Company's talent management strategy focuses on sustaining the Company's position as among India's most valuable organizations for successfully delivering quality customer service and competitive superiority, while also facilitating future-preparedness and agility.

461

Total Employees



Covid-19 Measures

During the year, we facilitated our business continuity while ensuring well-being and safety of our employees. We successfully implemented the Covid-19 SOP in line with the pandemic-related health safety guidelines, in the past year. While maintaining the Covid-19-related protocols, IGPL organized vaccination campaigns and achieved 100% vaccination of our workforce. We also switched to the hybrid model following relaxation in the pandemic-related restrictions. We integrated use of digital modes with our business for quicker and efficient HR deliverables.

Training & Skill Development

During the year, we ensured functional and behavioural training continuity by sending our employees to virtual workshops. We sent our operation team members for the training of Rotating Equipments, Refractories & Insulations, Corrosion under Insulation. We also provided Excel and Advanced Excel training. IT also remains a key focus area for us, and thereon, we arranged a three-week workshop on Digital Transformation and BI through Microsoft. We also conducted a few other virtual training programmes comprizing business writing and presentation skills, training of life-saving techniques on account of heart attack and many others.

Events held during the Year

During the year, IGPL conducted several virtual engagement programmes with regards to mental, emotional, and financial well-being, coping with workplace stress, and facilitating fun at work. We celebrated several festivals with the team virtually, fostering team spirit and enhanced relations at work.



Corporate Social Responsibility (CSR)

Our Company undertook various CSR activities wherein we integrate social concerns in our business operations, fostering a better world around us. We proactively worked towards the development of underprivileged communities over the years. Our Company consistently participated in social initiatives aimed at improvement of livelihoods, healthcare and sanitation facilities, besides providing educational access to the communities, to ensure a more holistic inclusive development.

₹ 3.37 crores

Spent on CSR Activities

Healthcare Facility

IGPL collaborated with various NGOs including Rotary Club Panvel, Valap Health Centre, Dr. Patwardhan Hospital, Parkinson's Disease and Movement Disorder Society and many others through which we donated mobile blood donation coach, various medical devices like phaco machine, sonograph machine, surgical equipments, etc. besides organizing blood donation camps.





Covid-19 Relief

In the wake of the Covid-19 pandemic and its reeling effects, the Company provided support by way of donation of Oxygen tank, mask, sanitizer, etc. necessitated at the peak of Covid-19.

Food supplies

The Company participated at various front involving supplies of foodgrains and other essential supplies directly and indirectly through Akshaya Patra Foundation during Covid-19 and flood affected areas of Maharashtra.

Education Initiatives

Education is the fundamental right of every human being. It is the first step towards increasing awareness, critical thinking, empowerment, and the ability to improve people's lives. Our efforts to provide education includes renovating the existing infrastructure of schools and providing them with the necessary facilities to construct classrooms. We provided aid involving operating school buses for students, organized regular online art and dance classes, and distributed school essentials for the students.

- Constructed toilet blocks for ZP School and Anudanit Ashram
- Donated laptops, computers, furnitures, etc. to Karavale Primary School and Centre for Transforming India
- Donated LED Smart TV for classroom, educational tab, printers, digital board, inventors, water purifier and roof repairing for Hedutane Primary School, Ghot Secondary School and Valap Primary School. Also set up science laboratory



GOVERNANCE

Embedding values & integrity persistently

Our Company is a value-based organization, committed to high standards of business integrity and ethics. Our Board steers and sets the Group's direction and brings independent, informed, and effective judgment, leading the Company to bear on the Board's material decisions.

This approach helps us to ensure that our strategy risk, performance, and sustainable development considerations remain effectively integrated and appropriately balanced across our Company's operations.



M. M. Dhanuka Non-Executive Chairman

M. M. Dhanuka is the founding member of the Company along with his brother Late Shri Shyam Sunder Dhanuka. He has done B.E. in Chemicals and possesses varied experience with expertise in chemical industries, sales, marketing, commercial, board governance, production and technical.



Nikunj Dhanuka Managing Director & CEO

Nikunj Dhanuka is a Management Graduate and has been associated with the Company since 1998. He is in charge of the Company's overall affairs. Under his leadership, the Company's overall performance has been growing at a brisk pace with significant improvement in margins during the last few years.



J.K. Saboo Executive Director

J. K. Saboo is a Commerce & Law Graduate and has been associated with the Company since 1991. He has an experience of over 40 years in the petrochemical industry and is also in charge of the operations of the Company's plant at Talaja.



Rajesh R. Muni Independent Director

Rajesh R. Muni is a fellow member of The Institute of Chartered Accountants of India (ICAI). He is a senior partner of M/s R. R. Muni & Co., and a practising Chartered Accountant with over 44 years of vast experience in the fields of audit and taxation.



Dr. A. K. A. Rathi Independent Director

Dr. A. K. A. Rathi has done B.E. (Hons.) in Chemical, M.E. in Chemical, Ph.D in Engineering, Diploma in Management and Diploma in Integrated Coastal Zone Management. He was a Professor at CEPT University in the Faculty of Planning and Public Policy. He was also a Director (Environment) and Chief Technical Advisor to the Government of Gujarat.



Dr. Vaijayanti Pandit Independent Director

Dr. Vaijayanti Pandit is a MA and Ph.D in Management Studies from JBIMS. She was the Vice President at Adfactors Group, headed FICCI West as the Sr. Director and was a Secretary at the Indian Merchants' Chamber.

CORPORATE INFORMATION

Board of Directors

M. M. Dhanuka
Chairman

Nikunj Dhanuka
Managing Director & CEO

J. K. Saboo
Executive Director

Rajesh Muni
Independent Director

Dr. A. K. A. Rathi
Independent Director

Dr. Vaijayanti Pandit
Independent Director

Chief Financial Officer

Pramod Bhandari

Company Secretary

Sudhir R. Singh

Statutory Auditors

M/s SMMP & Associates
M/s Uday & Co.

Internal Auditors

M/s BDO India LLP

Bankers

State Bank of India
Standard Chartered Bank
HDFC Bank Limited
Qatar National Bank (Q.P.S.C.)
YES Bank Limited
Union Bank of India
Central Bank of India
The Cosmos Co-Operative Bank Limited
Exim Bank

Registered Office

T-10, 3rd Floor, Jairam Complex
Mala, Neugi Nagar
Panaji, Goa - 403 001
Tel: 0832 - 2970973
E-Mail: igpl@igpetro.com
Website: www.igpetro.com
CIN: L51496GA1988PLC000915

Corporate Office

401-404, Raheja Centre
Free Press Journal Marg
214, Nariman Point
Mumbai- 400 021
Tel: 022-40586100
Fax: 022-22040747

Executive Office

D/4, Jyothi Complex, 134/1, Infantry Road
Bengaluru- 560 001
Tel: 080-22868372
Fax: 080-22868778

Factory

T-2, MIDC Industrial Area
Taloja- 410 208 Maharashtra
Tel: 022-68479100/146
Fax: 022-27410192

Registrar & Share Transfer Agents

M/s Bigshare Services Private Limited
Office No S6-2, 6th Floor, Pinnacle Business Park
Next to Ahura Center, Mahakali Caves Road
Andheri (East), Mumbai - 400 093
Tel: 022-62638200
Fax: 022-62638299
E-mail: investor@bigshareonline.com
Website: www.bigshareonline.com

Notice

NOTICE is hereby given that the 33rd Annual General Meeting of the members of I G Petrochemicals Limited (CIN: L51496GA1988PLC000915) will be held on Wednesday, 10th August, 2022 at 2.30 p.m. through Video Conferencing (“VC”) / Other Audio-Visual Means (“OAVM”) to transact the following business:

AS ORDINARY BUSINESS

1. To consider and adopt the standalone and consolidated audited financial statements of the Company for the financial year ended 31st March, 2022 and the Report of the Board of Directors and the Auditors’ Report thereon.
2. To declare Dividend for the financial year ended 31st March, 2022.
3. To appoint a Director in place of Shri J K Saboo (DIN 00193512) who retires by rotation and being eligible offers himself for re-appointment.
4. **Appointment of Statutory Auditors**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as amended from time to time or any other law for the time being in force (including any statutory modification or re-enactment thereof), M/s MSKA & Associates, Chartered Accountants, (Firm Registration No. 105047W) be and are hereby appointed as the Joint Statutory Auditors of the Company, to hold office for a term of five years from the conclusion of this Annual General Meeting till the conclusion of the 38th Annual General Meeting of the Company to be held in the year 2027 on such remuneration as shall be decided by the Board of Directors of the Company in consultation with the Statutory Auditors.”

AS SPECIAL BUSINESS

5. **Continuation of holding of directorship by Shri M M Dhanuka**

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to the provisions of Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification or re-enactment thereof) consent of the members of the Company be and is hereby accorded to continue to hold directorship by Shri M M Dhanuka (DIN 00193456), liable to retire by rotation, notwithstanding that on 17th April, 2023 he shall attain the age of 75 years.”

6. **Re-appointment of Shri Nikunj Dhanuka as Managing Director & CEO**

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

“**RESOLVED THAT** in accordance with the provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule V to the Act, consent of the members of the Company be and is hereby accorded to re-appoint Shri Nikunj Dhanuka (DIN 00193499) as Managing Director & CEO of the Company for a period of three years with effect from 27th April, 2022 on the remuneration, terms and conditions as set out in the explanatory statement annexed to the notice and as contained in the agreement entered into and approved by the Board of Directors of the Company and that he shall be liable to retire by rotation.”

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to alter or vary such terms of appointment and remuneration subject to the recommendation of the Nomination and Remuneration Committee.”

7. Re-appointment of Shri J K Saboo as Executive Director

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

“**RESOLVED THAT** in accordance with the provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule V to the Act, consent of the members of the Company be and is hereby accorded to re-appoint Shri J K Saboo (DIN 00193512) as Executive Director of the Company for a period of two years with effect from 1st April, 2022, notwithstanding him being 70 years, on the remuneration, terms and conditions as set out in the explanatory statement annexed to the notice and as contained in the agreement entered into and approved by the Board of Directors of the Company and that he shall be liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to alter or vary such terms of appointment and remuneration subject to the recommendation of the Nomination and Remuneration Committee.”

8. Payment of remuneration by way of commission to the Non-Executive Directors

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 197 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Rules made thereunder (including any statutory modification or re-enactment thereof),

consent of the members of the Company be and is hereby accorded to pay remuneration by way of commission to the Non-Executive Directors of the Company for a period of five years commencing from financial year 2021-22, at an amount not exceeding 1.50% of the net profits of the Company computed in accordance with the provisions of Section 198 of the Act to be paid in such amount, proportion and manner as may be decided by the Board of Directors (or any Committee thereof) of the Company from time to time.

RESOLVED FURTHER THAT pursuant to Regulation 17(6)(ca) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, consent of the members of the Company be and is hereby accorded for the payment of remuneration by way of commission to Shri M M Dhanuka, Non-Executive Director of the Company exceeding fifty per cent of the total remuneration payable to all Non-Executive Directors of the Company for the financial year 2021-22 as set out in the explanatory statement annexed to the notice.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as may be deemed necessary to give effect to this resolution.”

9. Ratification of Remuneration of Cost Auditor

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014 (including any statutory modification or re-enactment thereof), the remuneration of ₹ 50,000/- plus taxes as applicable and reimbursement of actual travel and out-of-pocket expenses for the financial year ending 31st March, 2023 as approved by the Board of Directors of the Company, payable to M/s Krishna S & Associates, Cost Accountants, (Firm Registration No. 100939) to conduct the

audit of the cost records of the Company, be and is hereby ratified and confirmed.”

By Order of the Board
For I G Petrochemicals Limited

Sudhir R Singh
Company Secretary

Mumbai, 20th May, 2022

Registered Office

T-10, 3rd Floor, Jairam Complex
Mala, Neugi Nagar, Panaji, Goa – 403 001.

Notes:

1. In view of the continuing Covid-19 pandemic and pursuant to the Circular No. 14/2020 dated 8th April, 2020, Circular No.17/2020 dated 13th April, 2020 by Circular No. 20/2020 dated 5th May, 2020 and Circular No. 02/2022 dated 5th May, 2022 issued by the Ministry of Corporate Affairs (MCA) and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020 and SEBI/HO/CFD/CMD2/DIR/P/2022/62 dated 13th May, 2022 issued by the Securities and Exchange Board of India (SEBI), physical attendance of the members at the venue of the Annual General Meeting (AGM) is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, members can attend and participate in the AGM through VC/OAVM.
2. Pursuant to the Circular No. 14/2020 dated 8th April, 2020, issued by the MCA, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
3. Corporate members intending to authorize its representatives are requested to send a certified scanned copy of the Board Resolution to the Company, authorizing their representative to attend the AGM through VC/OAVM and vote on its behalf at the meeting.
4. In case of joint holders attending the AGM, 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.
5. The Members can join the AGM in the VC/OAVM mode 30 minutes before and 15 minutes 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 1,000 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.
6. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of the reckoning the quorum under Section 103 of the Companies Act, 2013 (“the Act”).
7. The Explanatory Statement pursuant to Section 102 of the Act, which sets out details relating to Special Business to be transacted at the AGM, is annexed hereto.
8. Details under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the SEBI Listing Regulations”), in respect of the Directors seeking re-appointment at the AGM, forms an integral part of the notice.
9. In accordance with the aforesaid Circulars, the Notice of AGM alongwith Annual Report 2021-22 has been sent only through electronic mode to those members whose email addresses are registered with the Company / Depositories. Members may note that the Notice of AGM and Annual Report will be available on the website of the Company at www.igpetro.com and on the website 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 on the website of NSDL at <http://www.evoting.nsdl.com>. A person who is not a Member as on the cut off date should treat this Notice for information purposes only.

10. Members whose email addresses are not registered can register the same with the Company's Registrar and Share Transfer Agent/their Depository Participants, in respect of shares held in physical/electronic mode, respectively.
11. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, and Regulation 44 of SEBI Listing Regulations and the Circulars issued by the Ministry of Corporate Affairs dated 8th April, 2020, 13th April, 2020, 5th May, 2020 and 5th May, 2022 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 arrangement 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 e-voting on the date of the AGM will be provided by NSDL.
12. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, 4th August, 2022 to Saturday, 6th August, 2022 (both days inclusive) for the purpose of AGM and payment of dividend, if declared.
13. If dividend as recommended by the Board of Directors is approved at the meeting, payment will be made subject to deduction of tax at source on or after 17th August, 2022 as under:
 - a) To all Beneficial Owners in respect of shares held in dematerialized form as per the data 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 3rd August, 2022;
 - b) To all Members holding shares in physical

form, whose names stand on the Register of Members of the Company on 3rd August, 2022.

14. Members holding securities in demat mode are requested to update their bank details with their depository participants. Members holding securities in physical form should send a request updating their bank details, to the Company's RTA.
15. Pursuant to the changes introduced by the Finance Act, 2020, dividend income will be taxable in the hands of the members w.e.f. 1st April, 2020 and the Company is required to deduct tax at source (TDS) from dividend paid to members at the prescribed rates:

For Resident Members, taxes shall be deducted at source under Section 194 of the Income Tax Act, as follows:

Valid PAN of member available with the company	7.5% or as notified by the Government of India
Members without PAN/invalid PAN with the company	20% or as notified by the Government of India

However, no tax shall be deducted on the dividend payable to a resident individual member if the total dividend to be received by them during the financial year 2021-22 does not exceed ₹ 5,000/- and also in cases where members provide form 15G (applicable to any person other than a company or a firm)/form 15H (applicable to an Individual who is 60 years and older) subject to conditions specified in the Act. Members may also submit any other document as prescribed under the Act to claim a lower/nil withholding tax. PAN is mandatory for members providing form 15G/form 15H or any other documents as mentioned above.

For Non-Resident Members, taxes are required to be withheld in accordance with the provisions of Section 195 and other applicable Sections of the Act, at the rates in force. The withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) or as notified by

Government of India on the amount of dividend payable. However, as per Section 90 of the Act, non-resident members may have an option to be governed by the provisions of the Double Tax Avoidance Treaty (DTAA) between India and the country of tax residence of the member, if they are more beneficial to them. In order to avail the benefits of DTAA, the non-resident members will have to provide necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits.

The aforementioned documents are required to be submitted at udhuri@igpetro.com on or before Monday, 1st August, 2022 in order to enable the Company to determine and deduct appropriate TDS/withholding tax.

Incomplete, unsigned forms and declarations and/or any communication on tax determination received after Monday, 1st August, 2022 will not be considered by the Company.

16. During the year, there was no amount which was liable to be transferred to the Investor Education and Protection Fund (IEPF) in terms of Section 124 of the Act. A statement of unclaimed dividend declared at the last AGM held on 23rd July, 2021 as on 31st March, 2022 is available on the Company's website www.igpetro.com.

Further, pursuant to the provisions of Section 124(5) and Section 124(6) of the Act, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the IEPF Rules") and amendments thereto, all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to the demat account of the IEPF authority.

Members may note that the dividend declared by the Company for the year 2014-15 and remaining unclaimed shall be liable to be transferred to IEPF on 22nd September, 2022. If dividend is not claimed for any of the seven consecutive years, the underlying shares on the

above dividend shall also be transferred to IEPF. Members are advised to forthwith claim their dividend.

The members whose shares and dividend have been transferred to the IEPF Authority may claim the same by making an online application in Form IEPF-5 available at www.iepf.gov.in. Member should note that only one consolidated claim can be filed in a financial year as per the IEPF Rules. Members are advised to claim any un-encashed dividends before it becomes due for transfer to IEPF.

17. The members whose bank details are not registered with the Company are requested to notify the name of the bank and the branch, MICR No., IFSC, the nature of account and their Core Banking Solutions account number (CBS A/c No.) to the Company/RTA, in respect of shares held in physical form and to their Depository Participant in case of shares held in electronic form.
18. Pursuant to the SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated 3rd November, 2021 and 14th December, 2021, the Company has sent the letters to all the members of the Company holding shares in physical form asking them to furnish their PAN, KYC details and Nomination in Form ISR-1, ISR-3 and SH-13 which are available on the website of the Company at www.igpetro.com/investor-information/. The members of the Company holding shares in physical form may note that folios which are not KYC compliant on or after 1st April, 2023, shall be frozen and the members will neither be eligible to lodge grievance or avail service request from the RTA nor eligible for receipt of dividend in physical mode.
19. The attention of the members are invited to the Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25th January, 2022 issued by SEBI whereby in cases pertaining to issue of duplicate share certificate; transmission, claim from Unclaimed Suspense Account; renewal/exchange of certificate, etc. can be issued only in demat form. Members are requested to take

note of the same and submit Form ISR-4 along with their service requests referred herein, the format of which is available at www.igpetro.com/investor-information/.

20. Members seeking any information with regard to the accounts or any matter to be placed at the AGM may write to the Company on or before 4th August, 2022 at udhuri@igpetro.com
21. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.

PROCESS FOR MEMBERS OPTING FOR E-VOTING

The instructions for shareholders voting electronically are as under:

In compliance with provisions of the Companies Act, 2013 and the rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide Members the facility to exercise their right to vote on resolutions proposed to be considered at the AGM by electronic means and the business may be transacted through e-voting services provided by NSDL.

The remote e-voting period begins on Sunday, 7th August, 2022 (9:00 am) and ends on Tuesday, 9th August, 2022 (5:00 pm). During this period members of the Company, holding shares either in physical

form or in dematerialized form, as on the cut-off date i.e. 3rd August, 2022, may cast their vote by remote e-voting. 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 way to vote electronically on NSDL e-voting system consists of “Two Steps” which are mentioned below:

How do I vote electronically using NSDL e-voting system?





Step 1: Access to NSDL e-voting system

A) Login method for e-voting and joining virtual meeting for individual shareholders holding securities in demat mode

In terms of SEBI circular dated 9th December, 2020 on e-voting facility provided by Listed Companies, individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-voting facility.

Login method for individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under “IDeAS” section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-voting services. Click on “Access to e-voting” under e-voting services and you will be able to see e-voting page. Click on options available against company name or e-voting service provider - NSDL and you will be re-directed to NSDL e-voting website for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting. If the user is 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

Type of shareholders	Login Method
	<p>3. Visit the e-voting website of NSDL. Open web browser by typing the following URL: 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 held 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 options available against company name or e-voting service provider - NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.</p> <p>4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p style="text-align: center;">NSDL Mobile App is available on</p> <div style="text-align: center;">   </div> <div style="text-align: center; margin-top: 10px;">   </div>
Individual shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> 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. 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. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 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 the e-voting is in progress.

Type of shareholders	Login Method
Individual shareholders (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. Once login, you will be able to see e-voting option. Once you click on e-voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting feature. Click on options available against company name or e-voting service provider-NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for individual shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. 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 shareholders other than individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-voting website?

1. Visit the e-voting website of NSDL. Open web browser by typing the following URL: 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
4. Your user ID details are given below:

available under Shareholders' section.

3. A new screen will open. You will have to enter your User ID, Password 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 e-services after using your log-in credentials, click on e-voting and you can proceed to Step 2 i.e. cast your vote electronically.

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 EVEN of the Company is 120197. For example if folio number is 001*** then the user ID is 120197001***

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.
- 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.

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 and

General Meeting is in active status.

2. Select “EVEN” of Company for which you wish to cast your vote during the remote e-voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join Meeting”.
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 shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of email 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 udhuri@igpetro.com on or before 5th August, 2022.
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 udhuri@igpetro.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 and joining virtual meeting

for Individual shareholders 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.

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 same as the instructions mentioned above for remote e-voting.
2. Only those members/ shareholders, 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. The details of the person who may be contacted for any grievances connected with the facility for e-voting on the day of the AGM shall be the same person mentioned for remote e-voting.

Instructions for Members for attending the AGM through VC/OAVM, are as under:

- a) 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 NSDL e-voting system. After successful login, you can see link of “VC/OAVM link” placed under “Join Meeting” menu against Company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. 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.

- b) Members are encouraged to join the Meeting through Laptops for better experience.
- c) Further members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- d) 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.
- e) 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 udhuri@igpetro.com. The same will be replied by the Company suitably.
- f) Members who need assistance before or during the AGM, can contact NSDL on evoting@nsdl.co.in / 1800-1020-990 and 1800-224-430.

General Guidelines for shareholders

- 1. Institutional shareholders (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 mferraocs@gmail.com with a copy marked to evoting@nsdl.co.in.
- 2. 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.
- 3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for shareholders and e-voting user manual for shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-1020-990 and 1800-224-430 or send a request at evoting@nsdl.co.in
- 4. The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date i.e. 3rd August, 2022.
- 5. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 3rd August, 2022, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or to Issuer/RTA.
However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password” or “Physical User Reset Password” option available on www.evoting.nsdl.com or contact NSDL at the following toll-free no.: 1800-1020-990 and 1800-224-430.
- 6. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date shall only be entitled to avail the facility of remote e-voting as well as e-voting during the AGM.
- 7. Shri Martinho Ferrao (Membership No. 6221) or failing him Shri Shiv Kumar Vaishy (Membership No. 45528) Practicing Company Secretaries has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the e-voting and remote e-voting process in a fair and transparent manner.
- 8. The results alongwith the report of the Scrutinizer shall be placed on the website of the Company www.igpetro.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited and National Stock Exchange of India Limited.

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

Item No. 4

The Members of the Company at the 28th Annual General Meeting (“AGM”) held on 20th September, 2017 had appointed M/s Uday & Co., Chartered Accountants as the Joint Statutory Auditors of the Company for a period of five years from the conclusion of the said AGM till the conclusion of 33rd AGM. Accordingly, M/s Uday & Co. shall retire at the AGM.

In terms of Section 139 of the Companies Act, 2013 (“the Act”) read with the Companies (Audit and Auditors) Rules, 2014, the Audit Committee and the Board of Directors have considered and recommended to appoint M/s MSKA & Associates as the Joint Statutory Auditors of the Company. M/s MSKA & Associates have given their consent for their appointment as Statutory Auditors of the Company and has issued certificate confirming that their appointment, if made, will be within the limits prescribed under the provisions of Section 139 of the Act and the rules made thereunder. It is proposed to appoint M/s MSKA & Associates for a period of five years from the conclusion of this AGM till the conclusion of the 38th AGM to be held in the year 2027.

M/s MSKA & Associates is an Indian partnership firm registered with the Institute of Chartered Accountants of India and established in 1978, and the PCAOB (US Public Company Accountancy Oversight Board). M/s MSKA & Associates is a member firm of BDO International and offers a range of services led by industry experts with deep knowledge pockets and driven by a commitment, to deliver quality services to all clients.

The present remuneration of the existing Statutory Auditors for conducting the audit for the financial year 2021-22 is ₹ 24 lakhs plus applicable taxes and reimbursement of out-of-pocket expenses incurred. The total remuneration proposed to be paid to the Statutory Auditors would commensurate with their services. Subject to the approval of the shareholders, the Audit Committee and the Board of Directors may decide the remuneration of the Statutory Auditors on a mutually agreed terms.

The Board of Directors recommends the Ordinary Resolution for your approval.

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

Item No. 5

Pursuant to Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (“the SEBI Listing Regulations”) the Company cannot continue the directorship of any person as non-executive director who has attained the age of 75 years without the approval of the shareholders by way of special resolution.

Shri M M Dhanuka is a non-executive Director of the Company liable to retire by rotation and he is holding Directorship since the inception of the Company. He is also the founder Promoter of the Company along with his brother Late Shri S S Dhanuka and he shall attain the age of 75 years on 17th April, 2023. He is B.E. (Chem) and have over three decades of experience and expertise in the chemical industries, procurement, commercial, production and technical, sales, project set-up, board governance and compliance and general management. In view of the above, it is considered necessary to continue his directorship on the Board of the Company.

Considering his vast experience and expertise and the immense contribution towards the growth of the Company, the Nomination and Remuneration Committee and the Board of Directors of the Company have recommended the continuation of directorship of Shri M M Dhanuka as a Non-Executive Director of the Company.

The Board of Directors recommends the Special Resolution for your approval.

Except for Shri M M Dhanuka none of the other Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested in the said resolution.

Item No. 6

Shri Nikunj Dhanuka was re-appointed as Managing Director & Chief Executive Officer of the Company for a period of 3 years with effect from 27th April,

2019 by the members of the Company at an AGM held on 5th August, 2019. His present term was upto 26th April, 2022.

Pursuant to the recommendation of the Nomination and Remuneration Committee ("NRC"), the Board of Directors re-appointed Shri Nikunj Dhanuka as Managing Director and CEO for a further period of 3 years with effect from 27th April, 2022, subject to the approval of the members, on the remuneration, terms and conditions as set out herein.

Shri Nikunj Dhanuka is associated with the Company since 1998 and has played an instrumental role in the growth of the Company over the last several years. He possesses diverse experience and extensive knowledge on the functioning of Chemical Industries, Finance and Banking and in charge of the overall affairs of the Company. Under his leadership, the overall performance of the Company has been growing at a brisk pace with significant year-on-year improvement in margins during the last few years. Further, the Company also successfully commissioned the expansion of its plant in 2020 and the advance plasticizer plant in 2021 and is working to additionally increase its production capacity.

Taking into account the duties and responsibilities shouldered by Shri Nikunj Dhanuka and the prevailing managerial remuneration with the competitor industries and the recommendation of the NRC, the Board of Directors proposes the remuneration, terms and conditions of the re-appointment of Shri Nikunj Dhanuka as Managing Director and CEO for the approval of the members of the Company as set out below:

- a. **Remuneration:** ₹ 9,75,000/- per month with such increases as may be determined by the Board of Directors of the Company from time to time.
- b. **Personal Pay:** Equivalent to two months remuneration with such increases as may be determined by the Board of Directors of the Company from time to time.
- c. **Commission:** Upto 1.50% of the net profits of the Company calculated as per Section 198 of the Act

- d. **Tenure:** For a period of 3 years w.e.f. 27th April, 2022.
- e. **Perquisites & Allowances:** In addition to the aforesaid remuneration and personal pay, he shall be entitled to the following perquisites :
 - i. **Housing:** Shri Nikunj Dhanuka will be entitled to the House Rent Allowance of ₹ 1,17,000/- per month.
 - ii. **Medical re-imburement :** Expenses incurred by him and his family subject to a ceiling of one month's remuneration in a year or 3 month's remuneration over a period of 3 years.
 - iii. **Leave:** Earned leave as per rules of the Company
 - iv. **Club fees:** Subject to a maximum of two clubs.
 - v. **Insurance:** Cost of insurance in respect of mediclaim policy (global cover) for self and family and personal accident insurance shall be borne by the Company.
 - vi. **Retireal benefits:** Contribution to provident fund, superannuation fund or annuity fund as per rules of the Company. Gratuity payable shall not exceed half month's salary for each completed years of service.
 - vii. **Car:** Provision for use of car and telephone as per the rules of the Company.
 - viii. **Other perquisites:** Subject to the overall ceiling on remuneration, Shri Nikunj Dhanuka may be given any other allowances, benefits, perquisites and facilities as the Board of Directors of the Company (which term includes any Committee thereof) may decide from time to time. He shall be entitled to reimbursement of all actual expenses, including entertainment and travelling, incurred in the course of the Company's business.

Minimum Remuneration

Where, in any financial year during his tenure, the Company has no profits or its profits are inadequate, the payment of remuneration, bonus, perquisites

and other allowances shall be governed by the limits prescribed under Section II of Part II of Schedule V to the Act.

The Board of Directors recommends the Special Resolution for your approval.

Except for Shri Nikunj Dhanuka none of the other Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested in the said resolution.

Statement of information under Part II, Section II (B) (IV) of the Schedule V to the Act

I. General Information

Nature of Industry	Manufacture of chemicals
Date or expected date of Commercial Production	The Company has already commenced its business activities.
In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not applicable
Financial performance	The financial performance of the Company is stated in the audited accounts.
Foreign investments or collaborations, if any	Nil

II. Information about the appointee:

Background details	Given in the body of this statement
Past Remuneration	As approved by the shareholders at their meeting held on 5 th August, 2019
Recognition and awards	Nil
Job profile and his suitability	Given in the body of this statement
Remuneration proposed	As mentioned in the resolution

Comparative remuneration profile with respect to industry, size of company, profile of the position and person	The proposed remuneration is as per the prevailing standards in the chemical industries.
Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any.	Apart from receiving managerial remuneration, he does not have any other pecuniary relationship with the Company.

III. Other information:

- Reasons for loss or inadequate profits: Not applicable
- Steps taken or proposed to be taken for improvement: The Company continuously monitors the areas for improvement and necessary steps are taken as and when warranted.
- Expected increase in productivity and profits in measurable terms: It is subject to market conditions.

IV. Disclosures:

The relevant disclosures under this head forms part of the Corporate Governance Report.

The above explanatory statement (together with annexure thereto) shall be construed to be memorandum setting out the terms of the re-appointment as specified under Section 190 of the Act.

Item No. 7

Shri J K Saboo was re-appointed as Executive Director of the Company for a period of 1 year with effect from 1st April, 2021 by the members of the Company at AGM held on 23rd July, 2021 which term expired on 31st March, 2022.

Shri J K Saboo, a Commerce and Law Graduate, is in charge of and manages the affairs of the Company's Plant. He has been associated with the Company since 1991 and possesses over 40 years of rich

experience in petrochemicals industries. He has been vested with the day to day functioning of the Plant and oversees the compliance and all matters associated with factory and labour laws. He is also designated as the 'Occupier' as per the Factories Act, 1948.

Pursuant to the recommendation of the NRC, the Board of Directors re-appointed Shri J K Saboo as Executive Director for a period of 2 years with effect from 1st April, 2022 on the remuneration, terms and conditions as set out herein below after taking into account the existing duties and responsibilities shouldered by him and the prevailing managerial remuneration in the chemical industries:

- a. **Remuneration:** ₹ 4,65,000/- per month in the scale of ₹ 4,65,000/- – ₹ 5,00,000/- with such increases as may be determined by the Board of Directors of the Company from time to time.
- b. **Personal Pay:** Equivalent to two months remuneration with such increases as may be determined by the Board of Directors of the Company from time to time.
- c. **Tenure:** For a period of 2 years w.e.f. 1st April, 2022.
- d. **Perquisites & Allowances:** In addition to the aforesaid remuneration and personal pay, he shall be entitled to the following perquisites:
 - i. **Housing:** Shri J K Saboo will be entitled to the House Rent Allowance of ₹ 29,563/- per month in the scale of ₹ 29,563/- – ₹ 31,780/-
 - ii. **Medical reimbursement:** Expenses incurred by him and his family subject to a ceiling of one month's remuneration in a year or 2 month's remuneration over a period of 2 years.
 - iii. **Leave Travel:** For self and family once in a year in accordance with the rules of the Company.
 - iv. **Leave:** Earned leave as per Rules of the Company
 - v. **Club fees:** Subject to a maximum of two clubs.
 - vi. **Insurance:** Cost of insurance in respect of

mediclaim policy for self and family and personal accident insurance shall be borne by the Company.

- vii. **Other Perquisites:** Subject to the overall ceiling on remuneration, Shri J K Saboo may be given any other allowances, benefits, perquisites and facilities as the Board of Directors of the Company may deem fit.
- viii. **Retireal benefits:** Contribution to provident fund, superannuation fund or annuity fund as per rules of the Company. Gratuity payable shall not exceed half month's salary for each completed year of service.
- ix. **Car:** Provision for use of car and telephone as per the rules of the Company.

Minimum Remuneration

Where, in any financial year during his tenure, the Company has no profits or its profits are inadequate, the payment of remuneration, bonus, perquisites and other allowances shall be governed by the limits prescribed under Section II of Part II of Schedule V to the Act.

The Board of Directors recommends the Special Resolution for your approval.

Except for Shri J K Saboo none of the other Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested in the said resolution.

Item No. 8

The members of the Company at an AGM held on 20th September, 2017 had approved the payment of commission to the Non-Executive Directors of the Company at an amount not exceeding 1% of the net profits of the Company calculated in accordance with the provisions of Section 197 of the Act.

The Non-Executive Directors of the Company comprises of professionals with varied and diverse experience in audit, taxation, petrochemical industries, environment, engineering, business management project, strategy, etc. They are involved in all aspect of the policy formulation, guidance to the management, governance, devising strategies and

providing invaluable contribution for the overall growth of the Company. It is deemed appropriate to compensate the Non-Executive Directors for devoting their time and resources towards the Company for their all-round participation and involvement.

The Board of Directors considers it appropriate to pay remuneration by way of commission to the Non-Executive Directors of the Company at an amount not exceeding 1.50% of the net profits of the Company computed in accordance with the provisions of Section 198 of the Act from the financial year 2021-22 to be paid in such amount, proportion and manner as may be decided by the Board of Directors (or any Committee thereof) of the Company from time to time. Such payments shall be in addition to the sitting fees for attending the Board/Committee meetings.

Pursuant to the provision of Regulation 17(6)(ca) of SEBI Listing Regulations approval of the members of the Company are required for the payment of remuneration to a single non-executive director exceeding fifty per cent of the total remuneration payable to all Non-Executive Directors.

In accordance with the above, commission for the financial year 2021-22 is proposed to be paid @ 1.50% to all Non-Executive Directors of the Company out of which Shri M M Dhanuka, Non-Executive Director shall be paid 1.40% of the net profits. Approval of the members is, therefore, sought by way of Special Resolution for the same.

The Board of Directors recommends the Special Resolution for your approval.

Except for the Non-Executive Directors, none of the other Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested in the said resolution.

Item No. 9

On recommendation of Audit Committee, the Board of Directors has considered and approved the appointment of M/s Krishna S & Associates, Cost Accountants, for conducting an audit of cost records of the Company at a remuneration of ₹ 50,000/- plus taxes as applicable and reimbursement of actual travel and out of pocket expenses for the financial year 2022-23.

In terms of the provisions of Section 148 of the Act and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the resolution is set out for approval and ratification by the members.

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

The Board of Directors recommends the Ordinary Resolution for your approval.

By Order of the Board
For I G Petrochemicals Limited

Sudhir R Singh
Company Secretary

Mumbai, 20th May, 2022

Registered Office

T-10, 3rd Floor, Jairam Complex
Mala, Neugi Nagar, Panaji, Goa – 403 001

DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT

As required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2

Name	Shri J K Saboo	Shri Nikunj Dhanuka
Directors Identification Number	00193512	00193499
Date of Birth	18 th January, 1952	26 th May, 1967
Date of Appointment	1 st July, 1998	1 st July, 1998
Qualifications	B.Com, LL.B.	B.Com
Expertise	In charge of and manages the affairs of the Company's Plant. Possesses over 40 years of diverse experience in petrochemicals industries and oversees the compliance and all matters associated with factory and labour laws.	Possess diverse experience and extensive knowledge on the functioning of Chemical Industries, Finance and Banking.
Expertise in specific functional area	Factory and labour laws	General management and chemical industries.
Directorship held in Listed Companies	Nil	Mysore Petro Chemicals Limited
Chairmanship/ Membership of Committees in other Public Companies	Nil	Mysore Petro Chemicals Ltd.: Audit Committee - Member Stakeholders Relationship Committee- Chairman
Shareholding of Director	Nil	19,000
Relationship between directors inter-se	Nil	Nil

Note: The terms and conditions of appointment, remuneration and number of meetings attended forms part of the Corporate Governance Report.

Management Discussion and Analysis

Economic overview and outlook

The year 2021 was a road to recovery and momentum. Mass vaccinations, gradual opening up of nations and early support policies have helped the nations to recoup with the ill effects of the pandemic. The bounce back was driven by strong consumer spending uptick in investments with trade in goods surpassing the pre-pandemic levels. The global economy registered a GDP of 6.1% in 2021 compared to contraction of 3.4% in the year 2020. The global chemicals market continued to witness momentum and is expected to have grown to a market size of USD 3,728.43 billion in 2021 from USD 3,340.32 billion in 2020 at a CAGR of 11.6%. The growth is attributed to the pent-up demand post covid across plethora of end user industries like paints, plasticizers, packaging, consumer durables, construction and automotive among others. While the demand continued to gain traction headwinds in the form of disruptions in global supply chain, rising commodity prices, geo-political turbulence in the form of Russia-Ukraine war continued to impact the advancement of economies.

Crude oil prices have doubled over the last 12 months on account of strong rebound post lockdown and amid fears of stoking supply disruptions. During the year 2021-22 Brent crude surpassed USD 113 per barrel, the highest price since July 2014. The crude oil prices climbed steadily post shrinking in 2020 as the U.S. and its western allies imposed crippling sanctions on Russia post their attack on Ukraine. Commodity prices simultaneously touched the roof and experienced one of the largest supply shocks in decades because of the geo-political turbulence. Despite these unforeseen hurdles the petrochemical industry continued to show resilience and grow immensely, creating value. Overall, the industry has experienced a strong demand growth as well as tremendous impetus for plastics recycling and decarbonization. The growth is mainly due to the companies rearranging their operations and recovering from the COVID-19 impact, which had earlier led to restrictive containment measures involving social distancing, remote working, and the closure of commercial activities that resulted in operational challenges.

The Indian Chemical and Petrochemical industry is flourishing since last many decades. With the Government envisioning India as a USD 5 trillion economy, it will propel the demand for the chemical sector. The chemical sector will gain more prominence being the backbone of agriculture, infrastructure, manufacturing, and services. India manufactures more than 80,000 varieties of chemicals and petrochemicals generating employment for over two million people. Over the last 75 plus years there has been significant capacity additions in the sector. Industry has substantially outperformed in the past and has strong potential to unleash in the future. India has been one of the key exporters of specific agrochemicals, dyes, pigments, etc. As per the government estimates, India's chemical industry is expected to register a CAGR of 6.4% over 2019-2025 to reach a market size of 304 billion by 2025.

India continues to be the fastest growing economy among the emerging nations. As per RBI's estimates India is expected to witness GDP growth of 7.8% in the fiscal 2021-22 compared to contraction of 6.6% registered in FY 2020-21. This implies that the economic activities across all sectors have surpassed the pre-covid levels.

The government's call for economic self-sufficiency through the Aatmanirbhar Bharat initiative will only strengthen 'Make in India.' This is a golden opportunity for enterprises to manufacture for the global market as well as the big domestic market in India. Favourable demographics, rising disposable income, Government's thrust on infrastructure provides huge prospects for the industry to serve the captive market and help in substituting imports.

Key Growth Drivers of the Petrochemicals Industry

Headroom for per Capita Consumption: The per capita consumption of chemicals in India is 1/5th of the global average. Consumption of FMCG products and agrochemicals in China is 4 times of India leaving a huge headroom for growth.

Increasing Adoption of Specialty Products: With rising urbanization and industrialization, the demand for engineering and high performance materials is also rising steadily. Growth in the automotive, electronics, consumer goods and construction sectors have also added to the demand.

Energy Efficiency: Governments focus is on carbon neutrality by 2070. Energy efficiency is one of the critical factor to achieve this target. The Government is prioritising energy affordability and energy efficiency across all spectrum of usage. This will increase the demand for plastic insulations like polystyrene, polyurethane, polycarbonates, etc.

Changing Consumer Preferences: India's petrochemical industry is estimated to triple over the next 20 years with evolving consumer lifestyles and rise in plastic consumption. A recent survey highlighted domestic demand for 52 petrochemicals will reach to 87 MMTPA in 2040 from 27 MMTPA in 2020.

China+1 Strategy: With China+1 diversification model, India is emerging as a structural beneficiary on account of large talent pool strict adherence to the global manufacturing standards and protection of the IP rights. India is in a sweet spot as global companies are diversifying their procurement apart from China and India has all the inputs required right from raw materials to ease of logistic.

Government's PLI Scheme: The PLI concept has grown to include programmes for a variety of industries in order to strengthen India's manufacturing capabilities and stimulate export-oriented production. The PLI programmes are designed to build local supply chain capacity, introduce new downstream activities, and encourage investments in high-tech manufacturing.

Phthalic Anhydride (PAN)

Phthalic Anhydride appears as a colorless to white lustrous solid in the form of needles with a mild distinctive odour. It is crucial industrial chemical, especially for the large-scale production of plasticizers for plastics. The broad range of applications spans from the paints and plastics industry to PVC, pigments, polyurethanes, synthesis of resins, agricultural fungicides and amines.

The Phthalic Anhydride is estimated to have

reached a global market size of USD 3.7 billion in 2020. The market is anticipated to register a CAGR of 4.2% over 2021-2030 and reach a value of USD 5.6 billion by 2030. The chemical is widely used in production of plasticizers, 90% of plasticizers are used by PVC manufacturers. The huge demand for PVC in turn raises the demand for the key chemical i.e. PAN.

Rising demand from end-user industry like buildings and construction, automotive, paints and coatings, electrical and electronics, marine, and agricultural industries. Rapid industrialization and urbanization in the major emerging markets have led to a surge in construction, infrastructure, automotive industries. Additionally PAN-based alkyd resins are widely used in production of solvent-based coatings. Rising construction activities have augmented the demand for paints and coatings used in architectural, machinery, furniture and fixture applications.

The Finance Ministry has imposed definitive anti-dumping duty on PAN imports from China, Indonesia, Thailand and South Korea for a period of five years. This is very positive for Indian players giving them a competitive edge against low cost imports and pushes the 'Make in India' initiative.

Maleic Anhydride (MAN)

Maleic Anhydride is a colorless or white solid chemical with an acrid odour. It is produced industrially on a large scale for applications in coatings and polymers. Maleic Anhydride is estimated to have a market size of USD 2.8 billion in 2021. Over the next 5 years, it is projected to register a CAGR of 4.2% reaching a size of USD 3.4 billion by 2026.

Increasing demand from unsaturated polyester resin market, automotive and marine industry, construction and wind energy markets have been driving the demand for MAN. In terms of value, Asia Pacific is the fastest growing market for MAN followed by Europe and North America. Motorization led by urbanization and higher disposable incomes have fuelled the demand for automotive industry which positively influence MAN market.

Diethyl Phthalate (DEP)

Diethyl Phthalate is likely to witness CAGR of 3.3% over 2021-2028. A clear colorless liquid which is

marginally denser than water. DEP is used as a plasticizer in the manufacturing of automobile parts, packaging films, plastic films, tools, formulation of bathing soaps, toiletries, aftershave lotions and skin care products, as component in insecticides and mosquito repellent sprays and as a binder in different types of cosmetics and fragrances. Rising population with more inclination towards grooming and styling has increased the need of the chemical. Adoption of modern day agricultural techniques with an intent for better yields have increased the demand for agrochemicals. This in turn has fuelled the demand for DEP. DEP plays a crucial role in the packaging industry. In the industrial markets plastics and polymers play a major role accounting for a major growth driver of DEP.

About IGPL, Its Plans and Vision

IGPL is the largest producer of PAN in India dominating with a market size of more than 50% and is the lowest cost producer. The Company's state-of-the-art manufacturing facilities along with proximity to the raw material and customers puts the Company in a sweet spot to generate higher yields. The Company has expanded its PAN facilities in December 2020 by 53,000 MTPA taking it to 2,22,110 MTPA and MAN facilities to 7,660 MTPA. With further investments to the tune of ₹ 350 crores, another 53,000 MTPA is being added through the brownfield route which will enhance the capacity to 2,75,110 MTPA and MAN facilities by 1,500 MTPA to 9,160 MTPA by CY 2023.

The consumption of PAN & its derivatives is growing rapidly over the last few years. Earlier, the consumption of Phthalic Anhydride was historically concentrated in the paints, plasticizers, and CPC pigments industry. This has changed, and many other industries have increased the application of PAN. PAN is now also used in the production of specialty chemicals, agrochemicals, specialized polymers, electric & electronic products, insect repellents and urethane polyester polyols. It is also being innovatively used for making plastic currency, paper boards, leisure boats and sail of windmills etc. This industry is primarily served by very few players not only in India but also globally.

Given the growing demand for downstream

derivative products, the Company has added Diethyl Phthalate (DEP) to the product portfolio. The introduction of DEP has given a thrust to the Company's long-term growth trajectory and the same will be manifested in the coming years. With yoga and ayurveda being the new trends post Covid, the demand for Indian incense sticks have witnessed traction. Pegged at ₹ 8,500 crores industry size, the incense sticks industry is expected to witness a double digit growth, driving the demand for MAN. We are concentrating on diversifying our product offerings and adding more downstream value added products.

The entire complex of IGPL is managed by highly skilled manpower and with very high-quality control checks. Due to high growth in end-user industry, PAN is no longer a pure commodity product like other basic chemicals or semi commodity chemical. It is gradually moving towards necessity chemicals where demand visibility is high. IGPL is well positioned to capitalise on the growth opportunity. With more than 50% market share, capacity additions and entry into the downstream value added product through DEP will drive the Company's growth to the next level.

We also wish to expand our downstream derivative products and plan to expand our footprint in Indian and export markets, which will improve our operational leverage and boost our profitability. Objective of this expansion is to diversify and increase the revenue pie of downstream products and other derivatives. We continue to explore the opportunities in downstream derivative chemicals, chemicals with similar chemistry and other specialty chemicals to diversify our product portfolio. We believe, we have laid a strong foundation for the future by focusing on long-term growth, in the end-user application market. To reiterate, our long-term goal is to become a well-diversified chemicals company with a leadership position in our core business. We will diversify our business product range by expanding into various downstream derivatives and specialty chemicals to meet our vision to generate 30% revenue from the non-Phthalic product by 2025.

Operational review

Financial Performance (₹ in Crores)

	2021-22	2020-21	% change
Revenue	1,892	1,128	68%
EBIDTA	416	303	37%
PAT	267	190	41%
EPS (₹)	86.62	61.54	41%

Ratios	2021-22	2020-21	Changes (%)	Reason
Debtors Turnover	67 Days	65 Days	3.08%	—
Creditors Turnover	93 Days	134 Days	30.60%	Better working capital management
Inventory Turnover	5 Days	16 Days	68.75%	Better working capital management.
Interest Coverage	32.28	20.84	54.89%	Lower debt and consequent low interest cost
Current Ratio	1.94 times	1.41 times	37.88%	Due to higher internal accruals used for working capital and short term Investments
Debt Equity Ratio	0.11	0.12	10.96%	—
Operating Profit Margin	19.75%	23.96%	17.57%	Increase in operating cost results in decrease in operating margin
Net Profit Margin	14.17%	16.87%	16.01%	Increase in operating cost results in decrease in net profit margin
Return on Net Worth	25.14%	23.20%	8.36%	Better operating efficiency
Fixed Assets Turnover Ratio	2.50 times	1.51 times	65.56%	Efficient and better utilisation of fixed assets
Total Assets Turnover Ratio	1.17 times	0.88 times	32.95%	Efficient and better utilisation of fixed and current assets

Risk Management

In order to analyse, control, or mitigate risks, the Company has implemented an effective risk management framework. The framework includes procedures for risk identification, classification, assessment, mitigation, and reporting, as well as an integrated approach for managing risks in many aspects of the business.

Raw Material Risk: The raw materials required are crude derivatives. Fluctuations in crude prices will impact the profitability. However, the Company is able to pass on the increase in raw material price to end consumers due to rising demand and non-availability of any alternative products.

Import Risk: Cheap imports from other countries would result in losing the market share by IGPL. The Government has imposed anti-dumping duty on PAN protecting the interests of the domestic manufacturers

Environmental Risk: Toxic nature of the products makes it exposed to environmental risks. IGPL

follows the world's best environmental protection standards to ensure that plants and products meet all the applicable regulations laid down by the Government from time to time. It has also set up a new Effluent Treatment Plant (ETP) to make our facility complex capable of Zero Liquid Discharge.

Interest Rate Risks: Fluctuations in interest rates poses a risk to the Company. The Company regularly services its debt payments to prevent itself from any adverse situation. It also reviews its working capital loans, commercial borrowings and rupee term loan on regular intervals and ensure that all risks pertaining to their debt are either fully hedged or covered through natural hedge under existing profitability.

Corporate Social Responsibility: At IGPL, corporate social responsibility originates from the Company's philosophy of giving long-term benefit to the communities in which it operates. We realise the necessity of contributing to the development of

the underprivileged parts of society while serving the interests of our stakeholders, and we are dedicated to doing so responsibly. During the year, the Company contributed ₹ 3.37 crores towards the fulfillment of its CSR responsibility. For further details please click [here](#).

Human Resources

Our people are the lifeline of our Company and a key driver of our expansion. We employ a structured performance management strategy and make significant investments in human resource initiatives in order to attract and retain the best talent. We give comprehensive learning opportunities and strong long-term prospects to maximise employee job satisfaction. In order to maintain transparency and a collaborative spirit, we ensure free flow of information across all levels of management.

In the challenging times of the third wave of the pandemic, we concentrated on engaging employees both online and offline through numerous initiatives. To enhance employee engagement and gratitude, we continued our Rewards & Recognition programmes such as Spotlight awards and Take the Bull by the Horn awards throughout the year.

We reached out to our extended family during Covid times and engaged the team in various virtual programs to ensure their emotional fitness and financial well-being. Sessions of yoga, virtual stand-up comedy, mobile photo contests, intermittent fasting sessions, painting contests to the children of the employees were held to reduce stress and maintain balance in the tough times.

To nurture the connect with the team we launched a virtual IG Accelerator Program this year. We held an ideathon in which the employees were asked to offer suggestions to enhance efficiencies across automation, operations, technology advancements and cost optimisation. We had good engagement from all layers, received some great suggestions which were recognised and implemented into the system. In order to uplift the potential, we have launched the 5S program which will help in increasing the efficiencies and unleashing the potential of the people.

Information Technology

A digital revolution is now taking place, which is frequently referred to as the third industrial revolution, the “information age” (Brown & Marsden, 2013). Digitalization refers to the concepts such as the availability of large amount of data (big data), increased (algorithm-driven) analytical and processing capabilities, and crowd/sensor approaches ensuring ease of information dissemination. The growing momentum of the digitalization is impacting society and organizations and therefore, constantly changes the strategic context of organizations. We, at IGPL, have initiated the Digitalization Process from the roots involving all the personnel’s to benefit the Company’s Goal. Digitalization Process collaborates Infrastructure, People and Processes and ensures efficiency and accuracy.

Internal Control Systems and Their Adequacy

IGPL has a strong Corporate Governance and Internal Control framework in place which defines various systems, processes and controls to be adhered by management team. The internal control systems ensure that the management team adheres to the financial and accounting policies and strictly follows all regulatory compliance and statutory requirements. Our guidelines are well-documented and explains the procedures for authorisation, approvals which include the processes such as audits and other requirements. Integral to the overall governance, we have a well-established internal audit framework which extensively covers all aspects of financial and operational controls, covering all units, functions and departments. The Company also has an efficient financial reporting system in place. These policies are periodically reviewed and modified by the key management and audited by an internal auditors, whose findings and recommendations are reviewed by Audit Committee and followed through for implementation. These processes, Standard Operating Procedures, and controls are reviewed at regular intervals to reinforce the programmes on a continuous basis.

The Company’s internal control systems commensurate with the nature of its business and the size and complexity of its operations. Appropriate

internal control policies and procedures have been set up to provide reasonable assurance on the following objectives:

- All transactions recorded are accurate, complete, authorised and are in adherence to Accounting Standards;
- Orderly and efficient conduct of business;
- Compliance to applicable statutes, corporate policies and procedures;
- Effective usage of resources and ensuring its authorized use.
- Safeguarding its assets;
- Prevention and detection of frauds and errors;
- Accuracy and completeness of the accounting records and timely preparation of reliable financial information.

The Company's Internal Control System are attuned to the dynamics, volume, and complexity of all the business transactions and resources involved in its complete operations. A strong culture of corporate governance and the right tone at the top serve as strong pillars for excellence. Various business segments have well documented policies and standard operating procedures covering their business processes. Policies and procedures are reviewed periodically to accommodate changes and improvements are also suggested during internal audits to strengthen the overall internal control systems of the Company. The Company has its Code of Conduct and Whistle Blower policies in place. Internal controls are expected to be embedded in business operations and standard operating

procedures.

The Company uses robust ERP (Microsoft Dynamics Navision) and allied IT tools as an integral part of internal control system. The Company uses Komrisk, a compliance management software to facilitate all timely compliances. Wherever possible, emphasis is placed on incorporation of automated controls within the process to minimise deviations and exceptions.

Cautionary Statement

This report contains statements that are “forward looking statements” including, but without limitation, statements relating to the implementation of strategic initiatives and other statements relating to Company's future business developments and economic performance. While these forward-looking statements indicate our assessment and future expectations concerning the development of our business, several risks, uncertainties and other unknown factors could cause actual developments and results to differ materially from our expectations. These factors include, but are not limited to, general market, macroeconomic, governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, legislative developments, and other key factors that could affect our business and financial performance. Company undertakes no obligation to publicly revise any forward-looking statements to reflect future/likely events or circumstances.

Director's Report

To the Members,

On behalf of the Board of Directors of your Company, it gives me pleasure in presenting the Thirty Third Annual Report together with the Audited Financial Statements for the year ended 31st March, 2022:

1. Financial Results

(₹ in lakhs)

	2021-22	2020-21
Total revenue	189,190.74	112,835.52
Profit before interest, depreciation and tax	41,574.53	30,333.11
Finance cost	1,288.10	1,455.70
Depreciation and amortization expenses	4,434.87	3,410.37
Profit before tax	35,851.56	25,467.04
Provision for tax	9,179.67	6,453.73
Profit after tax	26,671.89	18,951.67
Earnings per share (₹)	86.60	61.54

2. Dividend

The Board of Directors has recommended a dividend of 100% i.e. ₹ 10/- per equity share of the face value of ₹ 10/- each for the year ended 31st March, 2022 aggregating to ₹ 3,079.49 lakhs.

In accordance with Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("the Listing Regulations") the Board of Directors has formulated a Dividend Distribution Policy and the same can be accessed at www.igpetro.com/corporate-governance/

3. Operating & Financial Performance

During the year under review, the Phthalic Anhydride market as well as other downstream products witnessed a strong traction in demand. The Company generated a total revenue of ₹ 1,89,190.74 lakhs as compared to ₹ 1,12,835.52 lakhs in the year 2020-21, a sharp rise of 68% over 2020-21. The Company has recorded the highest ever EBITDA in its history to ₹ 41,574.53 lakhs from ₹ 30,333.11 lakhs in 2020-21.

Our prudent management of funds, keeping in mind the turmoil happening in the external environment, have helped us in reducing the overall finance costs. We continue to strengthen our balance sheet and are on net zero debt. The profit after tax stood at ₹ 26,671.89 lakhs growing by 41% compared to the previous year. The tax expenses stood at ₹ 9,179.67 lakhs.

The Directors confirm that no material changes or commitments have occurred between the end of the financial year and the date of this report, which may affect the financial statements of the Company.

4. Expansion

During the year under review, the Company successfully commissioned and introduced the downstream product i.e. Advance Plasticizers with a capacity of 8,400 MTPA.

The Company also initiated further brownfield expansion of Phthalic Anhydride by upto 53,000 MTPA which is expected to commission in CY 2023.

5. Contribution to the Exchequer

The Company has contributed ₹ 38,369.86 lakhs to the exchequer by way of income tax, customs duty, goods and service tax, etc.

6 Share Capital & Finance

a) Share Capital

The paid-up Equity Share Capital remained unchanged at ₹ 3,079.81 lakhs as at 31st March, 2022. The shareholdings of the Promoters and Persons Acting in Concert with Promoters are 68.74%.

b) Finance

The borrowings of the Company comprises of external commercial borrowings, term loan and working capital facilities. The debts (including interest) are being serviced regularly.

c) Credit Rating

The Credit Ratings of the Company are “INDAA-/Stable” (term loan and fund based working capital) and “IND A1+” (non-fund based working capital) issued by India Ratings & Research.

d) Deposits

During the year, the Company has not accepted or invited any deposits from the public.

e) Particulars of Loans, Guarantees or Investments

Details of Loans, Guarantees or Investments covered under the provisions of Section 186 of the Companies Act, 2013 (“the Act”) are given in the notes to the financial statements.

7. Transfer to General Reserves

The Company do not propose to transfer any amount to the General Reserves.

8. Subsidiaries / Associates / Joint Ventures

The Company’s wholly owned subsidiary i.e. IGPL International Ltd. is yet to commence its operations and the present activities relates to investments. The consolidated financial statements of the Company are prepared in accordance with the applicable provisions of the Act and the Ind AS. The audited consolidated financial statements together with the Auditors’ report thereon forms part of the Annual Report.

In accordance with the provision of Section 129 of the Act, a statement containing salient features of the financial statements of the subsidiary in Form AOC-1 is annexed herewith.

The financial statements of the wholly owned subsidiary are placed on the website of the Company and available for inspection by the members of the Company. A copy of the audited accounts shall be made available to the member upon request.

9. Corporate Social Responsibility (CSR) Initiatives

The functions of the CSR Committee are guided by the CSR Policy of the Company in accordance

with which the projects are selected and implemented vis-à-vis approval by the Board of Directors of the Company. The CSR obligation of the Company for the year 2021-22 was ₹ 314.96 lakhs excluding an amount of ₹ 2.75 lakhs which was to be set-off against the excess amount spent in 2020-21. During the year, the Company spent ₹ 337.00 lakhs.

In respect of the ‘ongoing project’ of the previous year i.e. construction of school by Saraswati Shishu Mandir Trust, the Company had transferred ₹ 99.47 lakhs to a special bank account out of which ₹ 50 lakhs has been spent towards utilization for the said project.

An annual report on CSR activities containing prescribed details is annexed herewith as “Annexure-I”.

The CSR Policy of the Company can be accessed at www.igpetro.com/csr/

10. Annual Return

Pursuant to the provisions of Section 92(3) and 134(3)(a) of the Act, the Annual Return of the Company as at 31st March, 2022 is uploaded on the website of the Company at www.igpetro.com/corporate-announcement/

11. Vigil Mechanism Policy

The Vigil Mechanism Policy of the Company deals with instances of actual or suspected unethical behavior, fraud, etc. The Audit Committee reviews the functioning of the Policy. The details of the Vigil Mechanism has been elaborated in the Corporate Governance Report and posted on the Company’s website www.igpetro.com/corporate-governance/

12. Transfer of shares to IEPF Authority

In accordance with the provisions of Sections 124, 125 of the Act, read with the IEPF (Accounting, Audit, Transfer and Refund) Rules, 2016 (hereinafter referred to as “IEPF Rules”) the amount of dividend or any other amount remaining unclaimed or unpaid for a period of seven consecutive years is required to be transferred to the IEPF Authority. The shares in

respect of which dividend remained unclaimed or unpaid for seven consecutive years or more, shall also be liable for transfer to the demat account of the IEPF Authority.

The shareholders may note that the dividend declared by the Company for the financial year 2014-15 and remaining unclaimed shall be transferred to IEPF on 22nd September, 2022. Further, if the shareholders have not claimed dividend for any of the seven consecutive years i.e. between FY 2014-15 to FY 2020-21, the underlying shares shall also be transferred to IEPF. The shareholders are advised to forthwith claim their dividend by writing to the Company/ RTA.

The Company has uploaded the details of unclaimed dividend on its website at www.igpetro.com/investor-information/ and the same is also available at www.iepf.gov.in/IEPF/services.html

The members whose shares and dividend have been transferred to the IEPF Authority may claim the same by making an online application in Form IEPF-5 available at www.iepf.gov.in. The application for the claiming of shares along with the supporting documents are required to be submitted in an online mode only, as required under the IEPF Rules.

The Company Secretary of the Company has been designated as the Nodal Officer who can be contacted for any guidance/assistance to claim the dividend and shares from IEPF Authority.

13. Board of Directors & Key Managerial Personnel

Shri J K Saboo retires by rotation and being eligible offered himself for re-appointment.

The term of Shri Nikunj Dhanuka and Shri J K Saboo expired on 26th April, 2022 and 31st March, 2022 respectively.

Subject to the approval of the members of the Company, the Board of Directors re-appointed Shri Nikunj Dhanuka and Shri J K Saboo as Managing Director & CEO and Executive

Director of the Company for a period of three years and two years effective 27th April, 2022 and 1st April, 2022 respectively as per the terms, conditions and remuneration more particularly set out in the Notice.

All Independent Directors of the Company have furnished declarations under Section 149(7) confirming that they meet the criteria of independence laid down in Section 149(6) of the Act and the SEBI Listing Regulations.

In the opinion of the Board of Directors of the Company, all Independent Directors possess high integrity, expertise and experience including the proficiency to discharge their respective duties and responsibilities.

There is no change in the Key Managerial Personnel of the Company during the financial year 2021-22 and they are Shri Nikunj Dhanuka, Managing Director & CEO, Shri Pramod Bhandari, Chief Financial Officer and Shri Sudhir R Singh, Company Secretary.

None of the Directors have attained the age of seventy five years except Shri M M Dhanuka who shall attain in the year 2023 and approval of the shareholders is being sought.

13.1 Meetings of Board and Committees

In accordance with the regulatory requirements, the Board of Directors has constituted Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee and Risk Management Committee.

The details with respect to the composition, terms of reference, number of meetings held, etc. of the Board and that of the Committees are disclosed in the Report on Corporate Governance, which forms part of the Annual Report.

13.2 Board Evaluation

The annual evaluation of the performance of the Board of Directors, Committee of

the Directors individually has been made as more particularly specified in the Corporate Governance Report.

13.3 Remuneration Policy

The details of the Remuneration Policy forms part of the Corporate Governance Report.

The information relating to remuneration as required pursuant to Section 197 of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

- a. Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2021-22 –

Shri Nikunj Dhanuka, Managing Director & CEO – 64:1

Shri J K Saboo, Executive Director – 7:1

- b. The percentage increase in the remuneration of Managing Director, Chief Financial Officer and Company Secretary for the financial year –

Shri Nikunj Dhanuka, Managing Director & CEO – 30.50%

Shri J K Saboo, Executive Director - 19.87%

Shri Pramod Bhandari, Chief Financial Officer – 12%

Shri Sudhir R Singh, Company Secretary – 10%

- c. The percentage increase in the median remuneration of employees in the financial year – 8.20%
- d. Number of permanent employees on the rolls of the Company – 461
- e. Average percentile increase made in the salaries of employees other than the managerial personnel in the last

financial year was 9.90% whereas the percentile increase in the managerial remuneration was 7.30%.

It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.

14. Particulars of Employees

The disclosures pertaining to remuneration and other details under Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given above.

Statement containing the particulars of top ten employees and the employees drawing remuneration in excess of limits prescribed under Section 197(12) of the Act read with Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in annexure forming part of this Report. In terms of the proviso to Section 136(1) of the Act, the Report and Accounts are being sent to the Members excluding the aforesaid annexure. The said statement is available for inspection with the Company. Any Member interested in obtaining a copy of the same may write to the Company at udhuri@igpetro.com.

15. Directors' Responsibility Statement

To the best of our knowledge and belief and according to the information and explanation obtained by us, in terms of Section 134(3)(c) of the Act, we state:

- a. that in the preparation of the annual financial statements for the year ended 31st March 2022, all the applicable accounting standards have been followed and no material departures have been made from the same;
- b. that appropriate accounting policies have been selected and applied consistently and have 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 ended 31st March, 2022 and of the profit of the Company for that year;

- c. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing/ detecting fraud and other irregularities;
- d. that the annual financial statements have been prepared on a going concern basis;
- e. that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- f. that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

16. Related Party Transactions

In compliance with the provisions of the SEBI Listing Regulations and the Act, the transactions with related parties are entered into with the approval of the Audit Committee and the Board of Directors. The omnibus approval of the Audit Committee are obtained for transaction which are repetitive in nature.

The Policy on Related Party Transactions can be accessed at www.igpetro.com/corporate-governance/

All transactions with related parties were on arm's length basis and in the ordinary course of business and necessary approvals were obtained, wherever required. There were no material related party transactions. The necessary disclosures regarding the transactions are given in the notes to the financial statements.

None of the Directors and the KMP has any pecuniary relationships or transactions *vis-à-vis* the Company other than those disclosed in the financial statements.

17. Internal Control

The Audit Committee defines the framework for the audit based on the areas identified in discussion with the Internal Auditors. The Audit Committee lays out the audit plan at the start of the financial year in consultation with the Internal Auditor and the management. The Internal Audit function is designed to cover all the major areas of operations and strives to evaluate the efficacy and adequacy of internal control systems, adherence to SOPs and manuals, compliance with applicable rules and regulations, etc. The Internal Auditor participates in all meetings of and reports directly to the Audit Committee. The internal audit reports dwells on the detailed observations and its rating, the recommendation and corrective action proposed to be initiated. These are being followed-up in subsequent audit period.

During the period under review no material observation is reported by the Internal Auditor.

The Company's internal financial control systems commensurate with its nature of business, size and operations.

18. Risk Management

The Board of Directors has constituted a Risk Management Committee which meets as often as required. The Committee has defined the risk management framework and manual which outlines the risk management approach, risk perception and implementation of the risk mitigation measures. It also identifies and analyzes the risks to the business, risk assessment and control and implementation of risk management practices in order to ensure that all activities are conducted in accordance with the defined principles. The Company's risk management practices aims to limit the business risk through its operations and finance activities.

The Board of Directors reviews the discussions of the Risk Management Committee.

19. Auditors

19.1 Statutory Auditors

M/s Uday & Co. and M/s SMMP & Associates are the Statutory Auditors of the Company.

The Members of the Company at the 28th AGM held on 20th September, 2017 had appointed M/s Uday & Co. as Joint Statutory Auditors of the Company to hold office for a period of five years from the conclusion of that AGM till the conclusion of the 33rd AGM. Accordingly M/s Uday & Co. will hold office upto the conclusion of this AGM.

The Audit Committee and the Board of Directors have recommended to appoint M/s MSKA & Associates, Chartered Accountants (Firm Registration No. 105047W) (member of BDO Group) as the Joint Statutory Auditors of the Company to hold office from the conclusion of the 33rd AGM till the conclusion of the 38th AGM to be held in the year 2027 subject to the approval of the shareholders. The Statutory Auditors have confirmed their independence and eligibility for the said appointment.

The Auditors' Report does not contain any qualification, reservation or adverse remark. The Statutory Auditors have not reported any incident of fraud to the Audit Committee pursuant to Section 143(12) of the Act.

19.2 Cost Auditor

The cost accounts and records are required to be maintained under Section 148(1) of the Act, which are duly made and maintained. In terms of the provisions of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, the Board of Directors of the Company has, on the recommendation of the Audit Committee, appointed M/s Krishna S & Associates, Cost Accountants (Firm Registration No.

100939) as the Cost Auditor to conduct an audit of the cost records of the Company for the year 2022-23.

A resolution seeking members' ratification for the remuneration payable to M/s Krishna S & Associates is included in the Notice of AGM.

19.3 Secretarial Auditor

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors has appointed M/s Makarand M Joshi & Associates, Practicing Company Secretaries (Membership No. 5533) as Secretarial Auditor to conduct the Secretarial Audit.

The report of the Secretarial Auditor is given in "Annexure-II". The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

20. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 is annexed herewith as "Annexure-III".

21. Business Responsibility Report

Pursuant to the Regulation 34 of the SEBI Listing Regulations, Business Responsibility Report for the year ended 31st March, 2022 is provided separately and annexed to the Directors' Report as "Annexure-IV".

22. Corporate Governance

During the year under review, the Company has complied with the requirements of Corporate Governance and a report on the same along with the Auditors' Certificate confirming compliance

is attached with and forms part of this report.

A report on Management Discussion and Analysis for the year under review is presented in a separate section and forms an integral part of this report.

23. Prevention of Sexual Harassment

The Company is an equal opportunity provider and has zero tolerance in any form or manner towards the sexual harassment of women at work place. In accordance with the Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013, the Company has formulated a policy on prevention, prohibition and redressal of sexual harassment of women at work place.

The Company has constituted Internal Complaints Committee which meets as and when required.

No complaints pertaining to sexual harassment of women employees were received during the

year.

24. ISO 9001:2015 and ISO 14001:2015 Certification

Your Company continued to be certified under ISO 9001:2015 for quality management systems and ISO 14001:2015 for environment management systems by Bureau Veritas.

25. Acknowledgments

Your Directors convey their sincere appreciation to the business partners for their unstinted support and contribution and thank the customers, members, employees, bankers and all stakeholders for their co-operation and confidence reposed in the Company.

For and on behalf of the Board of Directors

M M Dhanuka

Chairman

DIN 00193456

Mumbai, 20th May, 2022

Annual Report on Corporate Social Responsibility (CSR) Activities of the Company

1. Brief outline on CSR Policy of the Company: CSR Policy of the Company is available at www.igpetro.com/csr/

2. Composition of CSR Committee:

Sr. No.	Name of the 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.	Dr. Vaijayanti Pandit	Chairperson	3	3
2.	Shri M M Dhanuka	Member	3	3
3.	Shri Rajesh Muni	Member	3	3
4.	Shri J K Saboo	Member	3	3

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 - www.igpetro.com/csr/

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 - 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	2.75	2.75
2.	2021-22	22.04	22.04
	TOTAL	24.79	24.79

6. Average net profit of the Company as per Section 135(5) ₹ 15,747.86 lakhs

7. (a) Two percent of average net profit of the Company as per Section 135(5) ₹ 314.96 lakhs

(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 ₹ 2.75

(d) Total CSR obligation for the financial year (7a+7b- 7c) ₹ 312.21 lakhs

8. (a) CSR amount spent or unspent for the financial year 2021-22:

(₹ in lakhs)

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

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

(₹ in lakhs)

Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Project duration	Amount allocated for the project	Amount spent in the current financial year	Amount transferred to unspent CSR Account for the project as per Section 135(6)	Mode of implementation - Direct Yes/No	Mode of implementation - Through implementing Agency	
				State	District						Name	CSR Registration number
Nil												

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

(₹ in lakhs)

Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through Implementing Agency	
				State	District			Name	CSR Registration No.
(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
1.	Health care, hunger eradication and sanitation	i	Yes	Mah.	Taloja & Panvel	228.93	Yes	-	-
2.	Disaster management	xii	Yes	Mah.	Taloja	47.36	Yes	-	-
3.	Hunger eradication	i	No	Kar.	Bengaluru	0.22	No	Akshaya Patra Foundation	CSR00000286
4.	Hunger eradication	i	Yes	Mah.	Mumbai	0.30	No	Blind Organisation of India	CSR00003325
5.	Old age homes	iii	Yes	Mah.	Panvel	3.60	No	Param Shantidham Vrindhashram	CSR00025926
6.	Education	ii	Yes	Mah.	Mumbai	6.00	No	Centre for Transforming India	CSR00005034
7.	Restoration of buildings	v	Yes	Mah.	Panvel	0.59	Yes	-	-
8.	Animal welfare	iv	Yes	Mah.	Mumbai	5.00	No	Utkarsh Global Foundation	CSR00003183
9.	Health care	i	Yes	Mah.	Mumbai	5.00	No	Parkinsons Disease and Movement Disorder Society	CSR00002825
10.	Health care	i	Yes	Mah.	Mumbai	7.00	No	Cancer Foundation	CSR00026600
11.	Education	ii	Yes	Mah.	Taloja	33.00	Yes	-	-
TOTAL						337.00			

(d) Amount spent in Administrative Overheads

Nil

(e) Amount spent on Impact Assessment, if applicable

Nil

(f) Total amount spent for the financial year (8b+8c+8d+8e)

₹ 337.00 lakhs

(g) Excess amount for set off, if any

₹ 22.04 lakhs

(₹ in lakhs)

Sr. No.	Particulars	Amount
1.	Two percent of average net profit of the Company as per Section 135(5)	314.96
2.	Total amount spent for the financial year	337.00
3.	Excess amount spent for the financial year [2-1]	22.04
4.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
5.	Amount available for set off in succeeding financial years [3-4]	22.04

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

(₹ in lakhs)

Sr. No.	Preceding financial year	Amount transferred to Unspent CSR Account under Section 135(6)	Amount spent in the reporting financial year	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.
				Name of the fund	Amount	Date of transfer	
Not applicable							

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

(₹ in lakhs)

Sr. No.	Project ID	Name of the Project	Financial year in which the project was commenced	Project duration	Total amount allocated for the project	Amount spent on the project in the reporting financial year	Cumulative amount spent at the end of reporting financial year	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) : Not applicable.

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

Nikunj Dhanuka

Managing Director and CEO

DIN 00193499

London, 20th May, 2022

Dr. Vaijayanti Pandit

Chairperson – CSR Committee

DIN 06742237

Mumbai, 20th May, 2022

Form No. MR - 3

Secretarial Audit Reportfor the Financial Year Ended 31st March, 2022

[Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

The Members,
I G Petrochemicals Limited
T-10, 3rd Floor, Jairam Complex,
Mala, Neugi Nagar, Panaji, Goa-403001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **I G Petrochemicals Limited** (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Auditor's Responsibility:

Our responsibility is to express an opinion on the compliance of the applicable laws and maintenance of records based on audit. We have conducted the audit in accordance with the applicable Auditing Standards issued by The Institute of Company Secretaries of India. The Auditing Standards requires that the Auditor shall comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Due to the inherent limitations of audit including internal, financial and operating controls, there is an unavoidable risk that some material misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Standards.

Unmodified Opinion:

Based on our 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, we hereby report that in our opinion, the Company has, during

the audit period covering the financial year ended on 31st March, 2022 (hereinafter called the 'Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2022 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Overseas Direct Investment and External Commercial Borrowings;
- (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 and 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; **(Not Applicable to the Company during the Audit Period)**
 - (d) The Securities and Exchange Board of

India (Share Based Employee Benefits) Regulations, 2014 and the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not Applicable to the Company during the Audit Period)**

- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(Not applicable to the Company during the Audit Period)**
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not Applicable to the Company during the Audit Period)** and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018. **(Not Applicable to the Company during the Audit Period)**

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company:

- Chemicals Weapons Convention Act, 2000;
- Hazardous Wastes (Management, Handling and

Transboundary Movement) Rules, 2008;

- The Indian Boilers Act, 1923;
- The Legal Metrology Act, 2009;
- The Gas Cylinder Rules, 2004.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards etc. as mentioned above.

We 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 re-appointment of directors during the audit period was in compliance with the provisions of the Act and Listing Regulations.

Adequate notice is given to all directors 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 Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We 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.

For Makarand M. Joshi & Co.
Company Secretaries

Kumudini Bhalerao

Partner

FCS No.: F6667

CP No: 6690

P. R. No: 640/2019

UDIN F006667D000357589

Mumbai, 20th May, 2022

This report is to be read with our letter of even date which is annexed as Annexure A' and forms an integral part of this report.

Annexure A

The Members,
I G Petrochemicals Limited
T-10, 3rd Floor, Jairam Complex,
Mala, Neugi Nagar, Panaji, Goa - 403 001

Our 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. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we 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, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Makarand M. Joshi & Co.
Company Secretaries

Kumudini Bhalerao
Partner
FCS No.: F6667
CP No: 6690
P. R. No: 640/2019
UDIN F006667D000357589

Mumbai, 20th May, 2022

Annexure 'III'

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

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

For Power & Fuel consumption per unit (MT) of Product, Technology Absorption & Foreign Earnings & Outgo

Particulars	For the year ended 31 st March, 2022	For the year ended 31 st March, 2021
A Power & fuel Consumption		
1. Electricity		
a. Purchased (Units)	611,705	336,927
Total Amount (₹)	8,522,520	5,421,531
Rate / Unit (₹)	13.93	16.12
b. Own Generation		
I. Through Diesel Generator	1,882,810	1,699,911
Units per Ltr. of Diesel oil	3.94	3.58
Cost / Units (₹)	22.30	18.92
II. Through Steam Turbine Generator (Units)	50,312,738	40,856,736
Units per Ltr. of Fuel / Oil / Gas	-	-
2. Coal is not used in Manufacturing Process	-	-
3. Furnace Oil quantity (MT)	6,311	5,510
Total Amount (₹)	297,129,611	152,351,281
Average Rate / MT (₹)	47,078	27,651
4. Other / Internal Generation	-	-
(B) Consumption per unit (MT) of Product		
Product	Standard	
Electricity - Units	Not Specified	255
Furnace Oil - Litres	Not Specified	32

(C) Conservation of energy-

(i) Steps taken or impact on conservation of energy

Thermal mapping of pipe line and equipment across the entire complex to identify areas of heat loss and thereby replace the affected area insulation immediately. This results in conservation of energy and prevents cold spots which can affect product quality.

Steam and energy balance is carried out regularly to ensure optimization of energy utilization.

Audit of air supply network across the entire plant and compressors is carried out which helps to plug the leaks across the complex and significantly reduce compressor running.

Initiated the installation of power factor regulator to optimize power being drawn from MSEB and effective utilization of electric power to maintain one power factor.

(ii) Steps taken by the Company for utilizing alternate sources of energy

The Company has signed up with M/s Tata Power Limited for installation of Solar electric panels to generate 396 KW

(iii) The capital investment on energy conservation equipments – ₹ 178 lakhs

(D) Technology Absorption

(i) Efforts are made towards technology absorption

The updates in technology improvements and catalyst / reactor performance are absorbed and implemented which leads to improvements in process and quality parameters.

- (ii) The benefits derived like product improvement, cost reduction, product development or import substitution;

Improvement in product quality and quantity and reduction in by-product generation. Increased production are as per international specification and further reduces the imports.

In-house R&D and improvements are being carried out for DEP to optimize the consumption norms and improve product quality parameters

- (iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) -

(a) the details of technology imported - Manufacture of DEP

(b) the year of import - 2021

(c) whether the technology been fully absorbed - Yes

(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof - N.A.

(E) Foreign Exchange Earnings & Outgo :		(₹ in lakhs)
Total Foreign Exchange Earnings	19,956.39	9,269.43
Total Foreign Exchange Outgo	3,283.37	3,058.37

For and on behalf of the Board of Directors

M M Dhanuka
Chairman
DIN 00193456

Mumbai, 20th May, 2022

Business Responsibility Report

[Pursuant to Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

Section A: General Information about the Company

1. Corporate Identity Number (CIN) of the Company: L51496GA1988PLC000915
2. Name of the Company: I G Petrochemicals Limited
3. Registered address: T-10, 3rd Floor, Jairam Complex, Mala, Neugi Nagar, Panaji, Goa - 403 001.
4. Website: www.igpetro.com
5. E-mail id: igpl@igpetro.com
6. Financial Year Reported: 01-04-2021 to 31-03-2022
7. Sector(s) that the Company is engaged in (industrial activity code-wise):

Group	Class	Sub-class	Description
201	2011	20119	Manufacture of organic and inorganic chemicals

8. List three key products/services that the Company manufactures/provides (as in balance sheet): Phthalic Anhydride, Maleic Anhydride and Diethyl Phthalate.
9. Total number of locations where business activity is undertaken by the Company:
 - (a) Number of International Locations (Provide details of major 5) - Nil
 - (b) Number of National Locations – 4
10. Markets served by the Company – Domestic and International

Section B: Financial details of the Company

1. Paid up Capital – ₹ 30,79,48,500/-
2. Total Turnover – ₹ 1,882,76,50,281/-

3. Total profit after taxes – ₹ 266,71,88,777/-
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax(%) – 2%
5. List of activities in which expenditure in 4 above has been incurred:-
 - (a) Health care, hunger eradication and sanitation
 - (b) Education, old age homes, etc.
 - (c) Disaster management

Section C: Other Details

1. Does the Company have any Subsidiary Company/Companies? Yes, the Company has one subsidiary.
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) - No
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?– No

Section D: BR Information

1. Details of Director/Directors responsible for BR

- (a) Details of the Director responsible for implementation of the BR policy

- | | |
|----------------|--------------------|
| 1. DIN | 00193512 |
| 2. Name | Shri J K Saboo |
| 3. Designation | Executive Director |

(b) Details of the BR head

Sr. No.	Particulars	Details
1	DIN Number (if applicable)	N.A.
2	Name	Shri Pramod Bhandari
3	Designation	Chief Financial Officer
4	Telephone number	022-4058 6100
5	e-mail id	pbhandari@igpetro.com

2. Principle-wise (as per NVGs) BR Policy/policies

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

Sr. No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	Do you have a policy/ policies for....	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national/ international standards? If yes, specify? (50 words)	Y	Y	Y	Y	Y	Y	Y	Y	Y
		All policies meet the State, Central and International standards. We implement Process Safety Management program to improve our process. Our products are REACH, BIS, Halal certified and are under process to get Kosher, HACCP and other international accreditation.								
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		Policies such as Code of Conduct (COC) & Ethics, CSR, COC to prevent insider trading etc. is approved by the Board of Directors and signed at appropriate level								
5	Does the Company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y			Y			Y
		Yes the Company has designated committee for CSR and BR, COC, Human Rights and Human Resources requirements are full filled by Head of HR and team.								
6	Indicate the link for the policy to be viewed online?	All essential policies are available on our website – www.igpetro.com								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	All relevant policies are communicated to respective stake holders and are available on HRMS								
8	Does the Company have in-house structure to implement the policy/ policies.	The Company has established in house structure to implement the policies								

Sr. No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Stake holders can address their grievances via communicated channels through our website and the same shall be addressed appropriately.								
10	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	All applicable and key policies go through rigorous internal and external bodies every quarter, half year and annually. Relevant Govt. authorities audit our EHS systems and policies on a monthly basis.								

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. The BR performance is reviewed annually by the Board of Directors
- (b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published? The BR Report is published in the Annual Report and can be viewed at www.igpetro.com

Phthalic Anhydride (PAN), Maleic Anhydride (MAN) and Diethyl Phthalate (DEP).

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

- (a) Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain?

Our manufacturing process is very efficient and a model operation across the industrial belt where the plant is located. We use our residual steam to manufacture our own electricity to run our operations and optimally use all heat residues wherever practically possible. Rain water harvesting has been done. Installation of solar panel for power generation is being implemented.

- (b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

With the ETP facility, the effluent discharge to CETP has been reduced from 686 M3/day to less than 220 M3/day and have achieved partial Zero Liquid Discharge (ZLD) and efforts are on to reach complete ZLD status in next few years. We are improving performance of HRSCC to increase efficiency of entire ETP to as to maintain effluent load @ 220 M3/day even after full capacity production of new DEP plant.

Section E: Principle-Wise Performance

Principle 1

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. It is applicable to the Company and its subsidiary. We ensure full compliance across the group and take declarations from all employees and Senior Management.
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. NIL

Principle 2

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

3. Does the Company have procedures in place for

sustainable sourcing (including transportation)?

(a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so

The Company has adopted sustainable model across the entire value chain of SCM including but not limited to procurement of raw material from domestic suppliers, delivery of finished goods with dedicated transport arrangements with customers in India and across the globe, waste disposal and partial recycling of bags that we use for delivery of finished goods.

4. Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

(a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

We give immense importance to local sourcing through use of local transporters, packaging materials, waste disposal bodies and local labours. This is embedded in IGPL philosophy and helps sustain community.

5. Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so -

Yes, MAN and Benzoic Acid are products extracted from the waste streams. With the ETP facility recycling and product waste stands at <5%.

Principle 3 - HR

- 1. Please indicate the total number of employees - 461
- 2. Please indicate the total number of employees hired on temporary/contractual/casual basis - 512
- 3. Please indicate the number of permanent women employees - 12
- 4. Please indicate the number of permanent employees with disabilities - 1

- 5. Do you have an employee association that is recognized by management- Yes
- 6. What percentage of your permanent employees is members of this recognized employee association? 36.50%
- 7. Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year – There were no complaints during the financial year.

No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1	Child labour/ forced labour/ involuntary labour	Nil	Nil
2	Sexual harassment	Nil	Nil
3	Discriminatory employment	Nil	Nil

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

- (a) Permanent Employees – Safety Training – 100%; Skill Upgrading – 78%
- (b) Permanent Women Employees - Safety Training – 100%; Skill Upgrading - 61%
- (c) Casual/Temporary/Contractual Employees– Safety Training – 100%
- (d) Employees with Disabilities – 1

Principle 4

1. Has the Company mapped its internal and external stakeholders?

Yes, the Company’s key stakeholders include employees, contractual workers, casual workers, suppliers, customers, business partners, regulatory agencies and local communities around its sites of operation.

2. Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders?

Yes, the Company endeavors to reach out and empower the community in and around the place where it operates as well as other areas in order to achieve inclusive growth by supporting the underprivileged class of masses. In terms of the CSR Policy of the Company, the CSR Committee is entrusted with the responsibility of discharging the Company's obligations towards the Society. We also work on ESR initiatives in accordance with the guidelines issued by the government authorities.

3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.

Some of the initiatives undertaken by the Company during the year includes donation of computers to under privileged children through Centre for Transforming India, provision of food to Covid-19 quarantined people, safe drinking water, sanitation, etc. to flood effected victims from areas of Mahad, Satara and Chiplun, oxygen tankers for the treatment of covid patients during pandemic, medical facilities through Rotary Club of Parnel, Dr. Patwardhan Hospital, Parkinson's and Movement Disorder Society, Cancer Foundation, etc., provided community schools with various digital equipment's necessary for continuity of education during Covid 19 pandemic and also provided school furniture and set up science laboratories.

Principle 5

1. Does the policy of the Company on human rights cover only the Company or extend to the Group/ Joint Ventures / Suppliers / Contractors / NGOs/ Others? Applies to external third parties also?

The Company's Human Rights policy protects its direct and indirect stakeholders alike. Human rights policy principles covers aspects of Equal Opportunity: across all dealings irrespective of Cast, Creed, Ethnicity, Religion, Region, Sex or Sexuality.

2. How many stakeholder complaints have been

received in the past financial year and what percent was satisfactorily resolved by the management? None

Principle 6

1. Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others. Applies to external third parties also.

The Company conforms all its policies related to Principle 6 under ISO 9001:2015 and ISO 14000:2015 standards.

2. Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage, etc.

Yes, we operate our plant in the most efficient manner to reduce footprints of global warming and climate change. The fully equipped recycling facilities cater to the same. Link: www.igpetro.com/sustainability/

3. Does the Company identify and assess potential environmental risks?

Hazop analysis are carried out to assess potential risks of all kinds before implementation of projects.

4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?

We have already moved from Furnace Oil to Low Sulphur Heavy Stock premium and are at an advanced stage in discussion with Mahanagar Gas for conversion to Gas. This shall drastically reduce greenhouse gases like CO₂, etc.

We are also actively carrying out trials with nano-bubbles technology to increase aeration in ETP to ensure better efficiency and reduce effluents and gaseous emissions.

We are implementing Solar panels across the plant to ensure generation and use of clean energy electricity.

Insulation and painting are carried out regularly to avoid heat loss and thereby save on fuel combustion.

5. Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc.? Y/N. If yes, please give hyperlink for web page.

- We have started conversion of lighting to LED for power conservation.
- We are also reviewing various options for Solar Energy/ Lighting solutions
- We are reviewing Gas vs FO option from clean technology
- We are reviewing options for achieving ZLD

Link: www.igpetro.com/sustainability/

6. Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?

Yes. The emissions are within permissible limits of SPCB as relevant to us.

7. Number of show cause/ legal notices received from CPCB/SPCB which is pending (i.e. not resolved to satisfaction) as on end of financial year. None

Principle 7

1. Is your Company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

- (a) Indian Chemical Council
- (b) Bombay Chamber of Commerce and Industry
- (c) Confederation of Indian Industries (CII)

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

We have worked with Taloja Manufacturing Association for up gradation of CETP (Common

Effluent Treatment Plant) Taloja for effectively processing the chemical waste from all Taloja Industries and thereby ensure clean discharge into the environment.

Principle 8

1. Does the Company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

The Company's contribution in the field of CSR includes contribution towards construction of school at Vrindavan, provision of medical apparatus to hospitals/health care centre, provision of food, animal welfare activities, mobile blood donation coach, LED Smart TV and other classroom related equipments to schools, etc.

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/ government structures/any other organization?

In house as well as in partnership with external NGO.

3. Have you done any impact assessment of your initiative?

We obtain direct feedback from the communities, NGOs, the beneficiaries, etc. about the impact of our initiatives.

4. What is your Company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?

Details are available in our CSR Report.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words or so.

Contribution to the Old Age Homes situated in and around our factory which provides the financial support and looks after the maintenance of the homeless senior / aged people / orphan / disabled persons, etc. by way of a financial support for their general upliftment. The Company strive to achieve the well being of the society in which it operates, other neighbouring communities and environment

and the nation at large.

Principle 9

1. What percentage of customer complaints/ consumer cases are pending as on the end of financial year - Nil
2. Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. / Remarks(additional information) - Yes
3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as one end of financial year. If so, provide details thereof, in about 50 words or so – No
4. Did your Company carry out any consumer survey/ consumer satisfaction trends? We are a B2B Company manufacturing and selling bulk chemicals. Product quality and quantity are important parameters which are monitored for all dispatches. Any feedback from customers is taken and wherever necessary corrective actions are carried out.

Report on Corporate Governance

(Pursuant to Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

The Directors present the Company's Report on Corporate Governance for the year ended 31st March, 2022.

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company is committed to adhere to the highest standards of governance in the way it carries business. The Company strives to continuously engage with and is receptive to the concerns of its stakeholders and the surrounding communities within which it operates. The principles of good governance can best be achieved when the Board, the management, the employees and all those associated with the business realize the inherent importance of ethics and channel their conduct accordingly. It is in this background that the Company lays specific emphasis on mutual trust and respect towards all concerned stakeholders.

BOARD OF DIRECTORS

Composition and category of the Directors

The Board of Directors, led by a Non-executive Non-independent Chairman, comprises of six Directors with diverse background and profession and having an optimum combination of Executive and Non-

executive Independent Directors in conformity with Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). Shri M M Dhanuka, Chairman and Shri Nikunj Dhanuka, Managing Director form part of the 'Promoter and Promoter Group'. Shri J K Saboo is the Executive Director. Shri Rajesh Muni, Dr. A K A Rathi and Dr. Vaijayanti Pandit are the Independent Directors.

The Board constituted committees include Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee, Risk Management Committee and Corporate Social Responsibility Committee. The role of the committees are defined by the Board and are in accordance with the SEBI Listing Regulations.

ATTENDANCE OF THE DIRECTORS AT THE MEETINGS

The Board met four times during the year i.e., on 24th May, 2021, 6th August, 2021, 1st November, 2021 and 3rd February, 2022.

The attendance of the Directors at the Board Meetings and the Annual General Meeting, Directorship and Committee membership in other Companies are given below:

Name of the Directors	Category	Number of Board Meetings attended	Attendance at AGM held on 23 rd July, 2021	Number of Directorship(s) held in other public companies	Number of Committee positions held in other public companies*		No. of shares held
					Chairman	Member	
Shri M M Dhanuka	Non-Executive	4	Yes	1	0	2	104,904
Shri Nikunj Dhanuka	Executive	4	Yes	1	0	2	19,000
Shri J K Saboo	Executive	4	Yes	1	0	0	0
Shri Rajesh Muni	Non-Executive & Independent	4	Yes	1	2	1	5,500
Dr. A K A Rathi	Non-Executive & Independent	4	Yes	0	1	1	100
Dr. Vaijayanti Pandit	Non-Executive & Independent	4	Yes	7	1	6	0

* includes I G Petrochemicals Ltd.

The familiarization programme of the Directors can be accessed at www.igpetro.com.

None of the Directors of the Company are related to each other.

Matrix of skills/competence/expertise of the Board of Directors

The Board of Directors of the Company comprises of people with diverse knowledge, skills and expertise and experience such as chemical industries, management, finance, tax, etc. The Board is led by the Chairman who is himself a chemical engineer and has over three decades of experience and expertise on the functioning of chemical industries. The Managing Director and Executive Director are in charge of the overall affairs of the Company and at Plants respectively. The Independent Directors brings with them their respective domain expertise which are engineering, accountancy and

management.

Wherever needed, the proposals are placed before the respective committee for its consideration and if recommended by it, then placed before the Board. All business transacted at the Board/Committee are with the presence of only non-interested directors. All committees (except Risk Management Committee) are chaired by the Independent Directors and the views of all members are taken into consideration before decisions are taken.

The major skills/competencies/expertise and the directorships held by the Directors in other listed companies are summarized below:

Name of the Directors	Directorships held in listed companies	Category	Skills/Expertise
Shri M M Dhanuka	Mysore Petro Chemicals Limited	Chairman & Managing Director	Chemical Industries, sales, marketing, procurement, commercial, board governance and compliance, production and technical, project set-up, general management
Shri Nikunj Dhanuka	Mysore Petro Chemicals Limited	Non-Executive	Finance, Banking, Chemical Industries, Operations and Management, Risk assessment and mitigation, business development, corporate strategy and planning
Shri J K Saboo	–	–	Factory and labour laws, set-up and operations of plant, regulatory compliances, legal, Accounts
Shri Rajesh Muni	Inspirisys Solutions Ltd.	Non-Executive & Independent	Audit, Accounts, Taxation, Finance, compliances
Dr. A K A Rathi	–	–	Chemical and petrochemical industrial practices, Environmental management, Engineering education
Dr. Vaijayanti Pandit	Indo Count Industries Ltd. Automobile Corporation of Goa Ltd. Banswara Syntex Ltd. Everest Kanto Cylinder Ltd.	Non-Executive & Independent	Business management, industry experience, political science, business associations, implementation of CSR.

In the opinion of the Board, all the independent directors have fulfilled the conditions of the SEBI Listing Regulations and that they are independent of the Company's management.

AUDIT COMMITTEE

The Audit Committee discharges its role of a fiduciary nature by regular interaction with internal auditors, statutory auditors and key management executives. It acts as a layer for the Board whereby the process of financial reporting, discussions on internal and statutory audit, monitoring of internal controls, insider trading mechanism, etc. are deliberated and reviewed by it before recommending to the Board. This process enables that the Board to take an informed decision. The terms of reference of the Committee are defined as per SEBI Listing Regulations.

Name of the Member	Position	Category
Shri Rajesh Muni	Chairman	Non-Executive, Independent
Shri M M Dhanuka	Member	Non-Executive, Non- Independent
Dr. A K A Rathi	Member	Non-Executive, Independent
Dr. Vaijayanti Pandit	Member	Non-Executive, Independent

The Company Secretary acts as the Secretary of the Committee. The Internal Auditors, Statutory Auditors, Chief Financial Officer and President – Finance & Accounts are the invitees to all Audit Committee meetings and have attended all meetings during the year.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee functions within the ambit of powers as vested by the Board vis-à-vis Regulation 19 of the SEBI Listing Regulations and Section 178 of the Act, which includes amongst others policy relating to the remuneration of the directors, key managerial personnel and other employees, formulation of criteria for evaluation of performance of independent directors and Board of Directors, devising a policy on diversity of Board, appointment of directors, key managerial personnel, senior

The Audit Committee of the Board is constituted in accordance with the requirement of Section 177 of the Companies Act, 2013 ("the Act") and Regulation 18 of the SEBI Listing Regulations. Three-fourth of the members of the Audit Committee are independent directors with diverse experience and expertise. The Chairman of the Committee is a member of The Institute of Chartered Accountants of India and possesses relevant financial expertise. The meetings of the Committee are held at regular intervals.

The Audit Committee met four times during the year i.e. 24th May, 2021, 6th August, 2021, 1st November, 2021 and 3rd February, 2022 which meetings were attended by all the members of the Committee. The Committee comprises of:

management level employees, recommending to the Board the appointment of directors, evaluating the re-appointment and determining whether to extend the tenure of the independent directors, recommending to the Board the remuneration payable to senior management employees, The link to view the policy is on the website of the Company at www.igpetro.com/corporate-governance/

The Nomination and Remuneration Committee of the Board is constituted in accordance with the requirement of Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations. Two-thirds of the members of the Committee are independent directors. During the year, three meetings were held on 24th May, 2021, 6th August, 2021 and 3rd February, 2022 which were attended by all the members of the Committee. The terms of reference of the Committee are defined as per SEBI Listing Regulations. The

Committee comprises of :

Name of the Member	Position	Category
Dr. A K A Rathi	Chairman	Non-Executive, Independent
Shri M M Dhanuka	Member	Non-Executive, Non-Independent
Shri Rajesh Muni	Member	Non-Executive, Independent

The Company Secretary acts as the Secretary of the Committee.

Performance evaluation criteria of the Board and Directors

The criteria for the evaluation of directors are determined by the Nomination and Remuneration Committee in accordance with the provisions of Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations on the basis of discussion amongst the Directors covering all aspects of the functioning of the Board and the Committees. The evaluation criteria provide for different parameters for the evaluation of the performance of the Board, its committees and Directors. The criteria for evaluation covers areas such as functioning of the Board/Committees, discharge of key responsibilities, Board governance, attendance at the meetings, independence of judgement exercised by the Directors, etc.

Pursuant to the provisions of the Act and the SEBI Listing Regulations, the Board has carried out the annual evaluation of its own performance as well as the working of its Audit, Nomination &

Remuneration, Stakeholders' Relationship, Risk Management, and Corporate Social Responsibility Committees. All the Directors carried out the performance evaluation. The Independent Directors evaluated the performance of non-independent directors, the Board as a whole and Chairman. The performance evaluation of independent directors was done by the entire Board members in which the independent directors who were being evaluated did not participate.

Remuneration of Directors

The Remuneration Policy of the Company strives to ensure that the level and composition of the remuneration is reasonable and sufficient to attract, retain and motivate the best talent commensurate with the size of the Company.

The remuneration of the Directors are in accordance with the provisions of the Act and the approval of the members of the Company. There was no pecuniary relationship or transactions between the Company and any of its Directors apart from the remuneration as detailed below:

(₹ in lakhs)

Name	Salary	Commission	Sitting Fees	Total
Shri M M Dhanuka#	–	498.96	7.40	506.36
Shri Nikunj Dhanuka	130.53	554.41	–	684.94
Shri J K Saboo	85.54	–	–	85.54
Shri Rajesh Muni#	–	18.48	6.80	25.28
Dr. A K A Rathi#	–	18.48	5.80	24.28
Dr. Vaijayanti Pandit#	–	18.48	5.40	23.88
Total	216.07	1,108.81	25.40	1,350.28

Commission shall be payable subject to the approval of the shareholders.

The remuneration to Managing Director and Executive Director are as per their terms of

appointment agreed to between the Company and the said Directors individually. There are

no performance linked incentives or severance fees payable to the Directors. The Company has not granted Stock Option either to Directors or its employees.

The terms of appointment of the Managing Director and Executive Director provide that the appointment may be terminated by either party by giving to the other party three months' notice of such termination or the Company paying three months remuneration in lieu thereof.

STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee meets as and when required and reviews all matters relating to the resolution of the investors grievances viz. transfer of shares, non-receipt of annual report, non-receipt of dividends, issue of duplicate share certificates, etc.

The Stakeholders' Relationship Committee of the Board is constituted in accordance with the requirement of Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI Listing Regulations. Two-thirds of the members of the Committee are independent directors. During the year, one meeting was held on 6th August, 2021 which were attended by all the members of the Committee. The terms of reference of the Committee are defined as per SEBI Listing Regulations.

The investor grievances are being attended by M/s Bigshare Services Pvt. Ltd., Registrar and Share Transfer Agent (RTA) administered under the supervision of the Company Secretary and a periodical report on the same is being presented before the Committee. The composition of the Committee and the status of the complaints are given below:

Name of the Member	Position	Category	No. of complaints received	No. of compliant resolved	No. of complaint pending
Dr. A K A Rathi	Chairman	Non-Executive, Independent	11	11	0
Shri M M Dhanuka	Member	Non-Executive, Non-Independent			
Dr. Vaijayanti Pandit	Member	Non-Executive, Independent			

Shri Sudhir R Singh acts as the Secretary of the Committee and is the Compliance Officer of the Company.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Company believes Corporate Social Responsibility (CSR) is an integration of the community's economic, environmental and social aspirations with the Company's business goals and objectives for sustainable growth and development.

The CSR Committee constituted by the Board of Directors in accordance with the requirement of Section 135 of the Act aims to fulfil the Company's responsibility towards the society. Half of the members of the Committee are independent directors. During the year, three meetings were held on 24th May, 2021, 1st November, 2021 and 2nd February, 2022 which meetings were attended by all the members of the Committee. The Committee comprises of :

Name of the Member	Position	Category
Dr. Vaijayanti Pandit	Chairperson	Non-Executive, Independent
Shri M M Dhanuka	Member	Non-Executive, Non-Independent
Shri Rajesh Muni	Member	Non-Executive, Independent
Shri J K Saboo	Member	Executive

The CSR Policy of the Company can be accessed at www.igpetro.com/csr/ and the CSR report forms an integral part of this report.

RISK MANAGEMENT COMMITTEE

During the year, the Board constituted Risk Management Committee in accordance with the

requirement of Regulation 21 of the SEBI Listing Regulations by virtue of being in the list of top 1,000 listed companies based on market capitalization. The members of the Committee comprises of the Board members which includes an independent director. The terms of reference of the Committee are defined as per SEBI Listing Regulations.

The Committee has defined the risk management framework and manual which outlines the risk management approach, risk perception and implementation of the risk mitigation measures. It

also identifies and analyzes the risks to the business, risk assessment and control and implementation of risk management practices in order to ensure that all activities are conducted in accordance with the defined principles. The Company's risk management practices aims to limit the business risk through its operations and finance activities.

During the year, two meetings were held on 30th December, 2021 and 28th March, 2022 which meetings were attended by all the members of the Committee. The Committee comprises of:

Name of the Member	Position	Category
Shri M M Dhanuka	Chairman	Non-Executive, Non-Independent
Dr. A K A Rathi	Member	Non-Executive, Independent
Shri J K Saboo	Member	Executive

The Company Secretary acts as the Secretary of the Committee.

The Risk Management Policy of the Company can be accessed at www.igpetro.com/corporate-governance

GENERAL BODY MEETINGS

a. Annual General Meetings

Financial Year	Date	Time	Venue	Special Resolution
2018-19	5 th August, 2019	3.00 p.m.	Hotel Mandovi, D.B. Bandodkar Road, Panaji Goa – 403 001	<ol style="list-style-type: none"> 1. Re-appointment of Shri Nikunj Dhanuka as Managing Director & CEO 2. Re-appointment of Shri Rajesh Muni as an Independent Director for a second term 3. Re-appointment of Dr. A K A Rathi as an Independent Director for a second term 4. Payment of remuneration to the Non- Executive Director
2019-20	26 th August, 2020	3.00 p.m.	Through VC/OAVM	Payment of remuneration to the Non-Executive Director
2020-21	23 rd July, 2021	3.00 p.m.	Through VC/OAVM	<ol style="list-style-type: none"> 1. Re-appointment of Shri J K Saboo as Executive Director 2. Payment of remuneration to the Non- Executive Director

b. During the year, no special resolution was passed through postal ballot.

c. No special resolution is proposed to be conducted through postal ballot at this AGM.

MEANS OF COMMUNICATION

Quarterly results	The quarterly results are published in the newspapers and displayed on the Company's website.
Newspapers wherein results published	The results are generally published in Business Standard/ Financial Express and Nav Prabha/Goa Doot
Any website, where displayed	www.igpetro.com/quarterly-financial-results/
Whether it also displays official news releases	Yes
The presentations made to institutional investors or to analysts	The Company generally makes presentation to investors/ analysts after the declaration of financial results and also participates in conference call with financial analysts

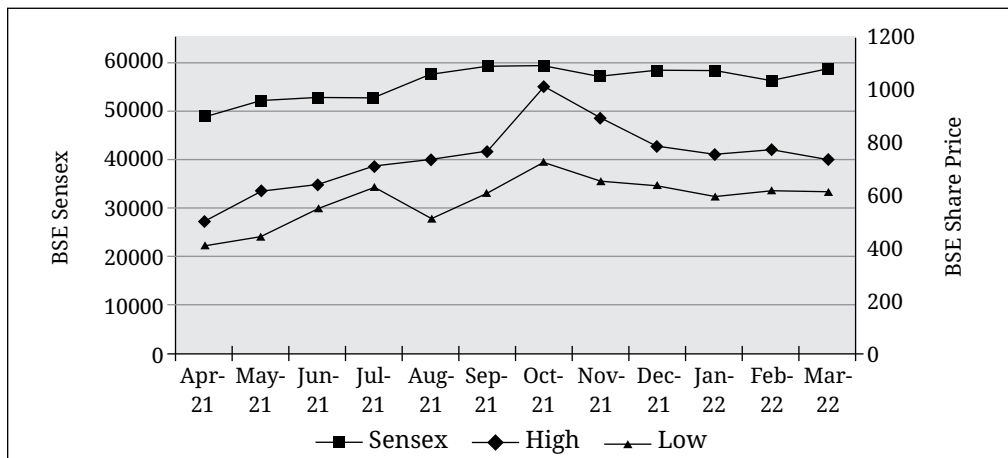
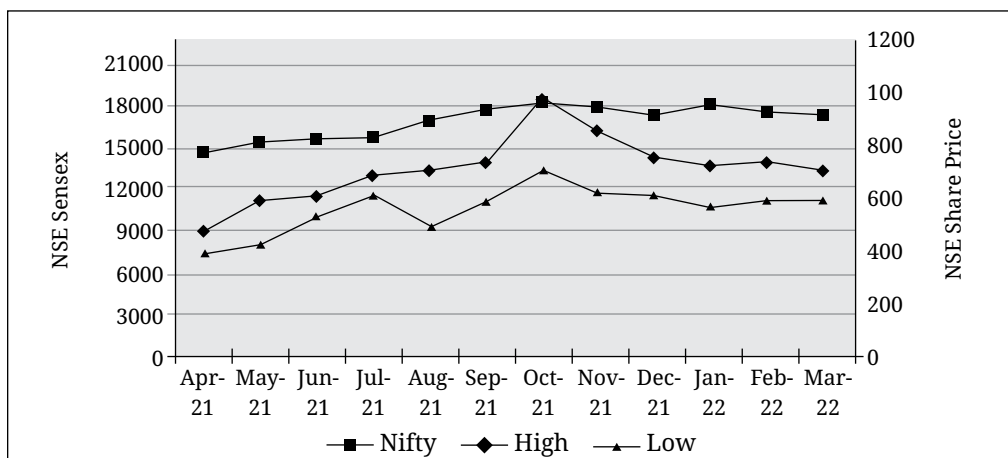
The quarterly financial results and other information (as applicable) are promptly disclosed to the stock exchanges and are published in newspapers. The investor presentations and the financial results are uploaded on the website of the Company www.igpetro.com/quarterly-financial-results/

GENERAL INFORMATION TO SHAREHOLDERS

Day, Date and Time of Annual General Meeting	Wednesday, 10 th August, 2022 at 2.30 p.m. through VC/OAVM
Financial Year	1 st April to 31 st March
Date of Book Closure	4 th August, 2022 to 6 th August, 2022
Dividend Payment Date	On or after 17 th August, 2022
ISIN Code	INE204A01010
Listing on stock exchanges and stock code	BSE Ltd. – 500199 and The National Stock Exchange of India Ltd. - IGPL The listing fees for the year 2022-23 have been paid to the stock exchanges
Registrars & Share Transfer Agents	M/s Bigshare Services Pvt. Ltd. Office No. S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai - 400 093 Tel: 022-62638200 • Fax: 022-62638299 E-mail: investor@bigshareonline.com
Share Transfer System	By the Registrar & Share Transfer Agents
Dematerialization of shares and liquidity	96.85% of the shares are held in dematerialized form as at 31 st March, 2022
Plant locations	T-2, MIDC Industrial Area, Taloja - 410 208 Dist. Raigad, Maharashtra
Address for correspondence	401-404, Raheja Centre, 214, Nariman Point, Mumbai - 400 021 Phone: +91-22-40586100 E-mail- igpl@igpetro.com
Credit Rating	Term Loan - INDAA-/Stable - Upgraded Fund based working capital limits - INDAA-/Stable - Upgraded Non-fund based working capital limits/forward contract limits - IND A1+ - Affirmed

MARKET PRICE DATA DURING THE YEAR ENDED 31ST MARCH, 2022 (MONTH-WISE)

Months	Bombay Stock Exchange (BSE)		National Stock Exchange (NSE)	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April	501.00	413.05	502.00	413.00
May	618.00	443.00	618.00	442.05
June	642.00	553.25	642.00	552.95
July	714.00	638.00	714.50	638.40
August	738.00	512.55	738.00	512.10
September	769.25	607.00	769.95	609.10
October	1,017.90	733.00	1,018.60	736.50
November	893.00	655.10	894.00	655.15
December	790.00	638.75	790.25	638.30
January	753.10	595.00	754.25	592.60
February	773.90	621.15	773.00	622.10
March	735.00	613.30	738.00	620.80

PERFORMANCE OF IGPL SHARE PRICE IN COMPARISON WITH SENSEX (BSE)**PERFORMANCE OF IGPL SHARE PRICE IN COMPARISON WITH NIFTY (NSE)**

DISTRIBUTION OF SHAREHOLDING AS AT 31ST MARCH, 2022

Shareholding	No. of Shareholders	% of total	No. of shares	% of total
1-500	35,756	95.68	30,88,376	10.03
501-1000	842	2.26	6,84,959	2.22
1001-2000	367	0.98	5,50,154	1.79
2001-3000	123	0.33	3,08,921	1.00
3001-4000	67	0.18	2,40,266	0.78
4001-5000	45	0.12	2,08,975	0.68
5001-10000	84	0.22	5,73,719	1.86
10001-Above	87	0.23	2,51,39,480	81.64
Total	37,371	100.00	3,07,94,850	100.00

OTHER DISCLOSURES

a. Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large
During the year, there were no material related party transactions.

b. Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the Board or any statutory authority, on any matter related to capital markets, during the last three years.

No penalties or strictures were imposed by the stock exchanges or SEBI or any other statutory authority during the last three years.

c. Details of establishment of vigil mechanism, whistle blower policy, and affirmation that no personnel have been denied access to the audit committee

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations and it provides its employees a channel for the reporting of genuine concerns about unethical behavior, actual or suspected or misconduct without fear of punishment or unfair treatment.

The mechanism provides for adequate safeguards against victimization and direct access to the Chairman of the Audit Committee.

During the year, no employee has been denied

access to the Audit Committee.

d. Details of compliance with mandatory requirements and adoption of the non-mandatory requirements.

The Company complies with all mandatory legislations including but not restricted to Ind AS, Secretarial Standards, Internal Financial Controls, Code of Conduct, Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information, Corporate Social Responsibility, etc.

The Company has adopted the following non-mandatory requirements:

a. The financial statements of the Company contain an unmodified audit opinion.

b. The office of the Chairman and Managing Director are being held by separate persons.

c. The report of the Internal Auditor is placed before the Audit Committee meeting and they are invitees to the meeting.

e. Web link where policy for determining 'material' subsidiaries is disclosed

The Company do not have any material subsidiary.

f. Web link where policy on dealing with related party transactions

The Policy on related party transactions is available at www.igpetro.com/corporate-

governance/

- g. Disclosure of commodity price risks and commodity hedging activities – Nil
- h. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) – Not applicable
- i. Certificate from a Company Secretary in Practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority
- The certificate forms part of this report.
- j. Where the Board had not accepted any recommendation of any committee of the Board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof – None
- k. Total fees for all services paid by the listed entity 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 a part

Audit Fees	– ₹ 24.00 lakhs
Reimbursement of Expenses	– ₹ 0.16 lakhs
Total	– ₹ 24.16 lakhs

- l. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

No complaints pertaining to sexual harassment of women employees were received during the year.

- m. Loans and advances in the nature of loans by the Company and its subsidiary to firms/companies in which directors are interested - Nil
- n. Non-compliance of any requirement of corporate governance report of sub-para (2) to (10) above, with reasons thereof shall be disclosed – Nil
- o. The corporate governance report shall also disclose the extent to which the discretionary requirements as specified in Part E of Schedule II have been adopted – Given above
- p. Disclosure with respect to demat suspense account /unclaimed suspense account – Not applicable

The Company has complied with the corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations.

DECLARATION ON CODE OF CONDUCT

I hereby confirm and declare that all the Directors and Senior Management personnel of the Company as defined in the Code of Conduct of the Company have submitted annual declaration for the year ended 31st March, 2022 confirming their compliance of the same.

London, 20th May, 2022

Nikunj Dhanuka
Chief Executive Officer

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

The Members of
I G Petrochemicals Limited
T-10, 3rd Floor, Jairam Complex,
Mala, Neugi Nagar, Panaji, Goa- 403001

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **I G Petrochemicals Limited** having CIN L51496GA1988PLC000915 and having registered office at T-10, 3rd Floor, Jairam Complex, Mala, Neugi Nagar, Panaji, Goa - 403 001 (hereinafter referred to as 'the Company'), produced before us 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 our opinion and to the best of our 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 us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for 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.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Jitendra Vishwanath Saboo	00193512	1 st July, 1998
2.	Nikunj Dhanuka	00193499	1 st July, 1998
3.	Madan Mohan Dhanuka	00193456	18 th October, 1988
4.	Rajesh Ramniklal Muni	00193527	30 th April, 2002
5.	Dr. Arjun Kumar Rathi	00209505	28 th July, 2009
6.	Dr. Vaijayanti Ajit Pandit	06742237	30 th March, 2015

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our 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.

For **Martinho Ferrao & Associates**
Company Secretaries

Martinho Ferrao
Proprietor
F.C.S. No. 6221
C.P. No. 5676
PR 951/2020

Mumbai, 20th May 2022

UDIN F006221D000357715

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

The Members of
I G Petrochemicals Limited

We have examined the compliance of conditions of Corporate Governance by I G Petrochemicals Limited ("the Company") for the year ended 31st March, 2022 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 the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations 2015 ('SEBI Listing Regulations') and as amended from time to time.

Management's Responsibility

The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the SEBI Listing Regulations.

Auditor's Responsibility

Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

Based on our examination of relevant records and information and according to the explanations given to us and the representation provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance 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 the SEBI Listing Regulations, during the year ended 31st March, 2022, as applicable.

We further state that 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.

Restriction on use

The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations and it 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.

For **Uday & Co.**

Chartered Accountants

Firm's Registration No.004440S

K. Sathyanarayanan

Partner

Membership No.203644

UDIN No.22203644AJIOHK6905

Bengaluru, 20th May, 2022

Form AOC-1

Statement containing salient features of the financial statement of subsidiary
(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Name of Subsidiary	Reporting Period	Reporting Currency	Exchange Rate	Share Capital	Reserves & surplus	Total Assets	Total Liabilities	Investments	Turn-Over	Profit/(Loss) Before Taxation	Profit/(Loss) After Taxation	Proposed Dividend	% of share holding
IGPL International Ltd.	31 st March, 2022	GBP	99.5524	59,83,101	(14,05,351)	1,22,45,162	1,22,45,162	-	-	(4,058)	(4,058)	-	100

Notes:

- Names of subsidiaries which are yet to commence operations - IGPL International Limited
- Names of subsidiaries which have been liquidated or sold during the year - N.A.

For and on behalf of the Board of Directors of
IG Petrochemicals Limited

M.M Dhanuka
Chairman
DIN 00193456
Place: Mumbai

Nikunj Dhanuka
Managing Director & CEO
DIN 00193499
Place: London

Rajesh Muni
Independent Director
DIN 00193527
Place: Mumbai

Pramod Bhandari
Chief Financial Officer
Place: Mumbai

Sudhir R Singh
Company Secretary
Place: Mumbai

20th May, 2022

Independent Auditor's Report

To the Members of I G Petrochemicals Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of I G Petrochemicals Limited ("the Company"), which comprise the Standalone Balance Sheet as at 31st March, 2022 and the Standalone Statement of Profit and Loss (including other comprehensive income), Standalone Statement of Changes in Equity and Standalone Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2022, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the 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 matter	How our audit addressed the key audit matter
<p>Capitalisation of Property, Plant and Equipment</p> <p>During the year ended 31st March, 2022, the Company has incurred significant capital expenditure. Out of the total additions to Property, Plant and Equipment of ₹ 8,250.08 lakhs, significant part of the capitalisation pertain to DEP plant. The plant has been successfully commissioned and capitalized during the year.</p>	<p>Our audit approach was a combination of test of internal controls and substantive procedures including:</p> <ul style="list-style-type: none"> Performing walk through of the capitalisation process and testing the design and operating effectiveness of the controls in the process.

Key audit matter	How our audit addressed the key audit matter
<p>Significant level of judgement is involved to ensure that the aforesaid capital expenditure/additions meet the recognition criteria of Ind AS 16 - Property, Plant and Equipment, specifically in relation to determination of trial run period and costs associated with trial runs for it to be ready for intended use.</p> <p>As a result, the aforesaid matter was determined to be a key audit matter</p>	<p>Assessing the nature of additions made to property, plant and equipment and capital work-in-progress on a test check basis and carry out testing to ensure that they meet the recognition criteria as set out in para 16 to 22 of Ind AS 16, including any such costs incurred specifically for trial run.</p> <ul style="list-style-type: none"> • Assessing that the borrowing cost capitalised (including foreign exchange to the extent it is considered as an adjustment to interest cost) is in accordance with the accounting policy of the Company. • Reviewing the project completion certificate provided by the management to determine whether the asset is in the location and condition necessary for it to be capable of operating in the manner intended by the management.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance Report, and Shareholder Information, but does not include the standalone financial statements and our auditor's report thereon. This other information is expected to be made available to us after the date of this Auditors' Report.

Our opinion on the standalone financial statements does not cover the other information and we will 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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read such other information as and when made available to us and if we conclude that there

is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's management and Board of Directors are 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 state of affairs, profit / loss (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of

adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management and the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless 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 Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in 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 judgment and maintain professional scepticism 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 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 management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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 of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including other comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.
- (e) On the basis of the written representations received from the Directors as on 31st March, 2022 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st 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 to our separate Report in "Annexure B".
- (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. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.
- (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, 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 31 to the standalone financial statements;
- ii. The Company has made provision, as required under the applicable laws or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv. a) The Management has represented that, to the best of its knowledge and belief, no funds 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 persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- b) The Management has represented that, to the best of its knowledge and belief, no funds 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 directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Funding Parties or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material mis- statement.
- v. The final dividend paid by the Company during the current year in respect of the same declared for the previous year is in accordance with Section 123 of the Act to the extent it applies to payment of dividend. As stated in note 31(e) to the financial statements, the Board of Directors of the Company have proposed final dividend for the current year which is subject to the approval of the members 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.

For UDAY & Co.

Chartered Accountants
Firm’s Registration No.
004440S

K Sathyanarayanan

Partner
Membership No. 203644
UDIN 22203644AJIMYJ9771

Place: Bengaluru
Date: 20th May, 2022

For SMMP & Company

Chartered Accountants
Firm’s Registration No.
120438W

Chintan Shah

Partner
Membership No. 166729
UDIN 22166729AJIPXG5413

Place: Mumbai
Date: 20th May, 2022

Annexure - A to the Independent Auditors' Report

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

With reference to the Annexure A referred to in the Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31st March, 2022, we report the following:

- i) a. As per information and explanation provided to us and based on our examination of the records of the Company, the Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipments.
- b. As per information and explanation provided to us and based on our examination of the records of the Company, the Company has maintained proper records showing full particulars, including quantitative details and situation of intangible assets and relevant details of right-of-use assets.
- c. According to information and explanation given to us, there is a regular programme of physical verification of property, plant and equipment by the management which in our opinion is reasonable having regard to the size of the Company and nature of its assets. Also, in our opinion, the periodicity of such physical verification is reasonable having regards to the size of the Company and the nature of its assets. As informed to us, no material discrepancies were noticed on such verification.
- d. As per information provided to us and to the best of our knowledge and belief, the title deeds of immovable properties are held in the name of the Company. In case where the Company is a lessee, all lease agreements are duly executed in favour of the lessee.
- e. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued any of its property, plant and equipment (including right-to-use assets) and intangible assets during the year.
- f. According to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceedings have been initiated during the year or are pending against the Company as at 31st March, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
 - ii) a. As per information provided to us and to the best of our knowledge and belief, the physical verification of inventory has been conducted by the management at reasonable intervals and in our opinion the coverage and procedure of such verification by the management is appropriate. According to the information and explanations given to us and on the basis of our examination of the records of the Company no discrepancies of 10% or more in the aggregate for each class of Inventory were noticed during such verification.
 - b. As per the information and explanations given to us, the Company has been sanctioned Working Capital limits in excess of ₹ 5 Crores in aggregate from Banks and Financial Institutions on the basis of security of Current Assets. In our opinion, the quarterly returns or statements filed by the Company with such Banks or Financial Institutions are in agreement with the books of account of the Company, the differences, if any are either not material or minor in nature
 - iii) According to the information and explanations given to us and on the basis of records verified by us during the year, the Company has made investments in companies and Limited Liability

Partnership (LLP). The Company has not provided any guarantee or security or granted loans and advances in the nature of loans during the year to companies and other parties during the year. However, the Company has extended the tenure of the existing loan granted to its subsidiary company during the year under review (refer para e below).

a) (A) The Company has extended the tenure of the existing unsecured loan to its subsidiary company, the aggregate amount of which and the balance outstanding as at the balance sheet date was ₹ 4,063.30 lakhs (including interest receivable).

(B) Based on the audit procedures carried out by us and as per the information and explanations given to us, the Company has not provided any guarantees or securities and has not granted any loans or advances in the nature of loans to any parties other than joint ventures, associates or subsidiary company.

b) In our opinion, the investments made and the terms and conditions of the existing loan, during the year, are, prima facie not prejudicial to the interest of the Company.

c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, in the case of loans and advances in the nature of loans continued during the year, the repayment of principal and payment of interest has been stipulated. However, the tenure of repayment of principal amount and the receipt of interest has been further extended as mentioned in para (e) below.

d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loan in the nature of loans given.

e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the unsecured loan given to subsidiary company which has fallen due during the year, has been extended, along with interest receivable on such loan for a further period of one year. The aggregate amount of loan (including interest receivable on the same) extended during the year aggregated to ₹ 4,063.30 lakhs as at the balance sheet date.

f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms of period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.

iv) According to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, in relation to loans given and investments made.

v) According to the information and explanations given to us, during the financial year, the Company has not accepted deposits within the meaning of Section 73 to 76 of the Act. Accordingly, paragraph 3(v) of the Order is not applicable.

vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-Section (1) of Section 148 of the Act in respect of Company's products and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

vii) a) According to the information provided and explanations given to us and based on our examination of the records of the Company, the Company is generally regular

in depositing with appropriate authorities undisputed statutory dues including provident fund, employee's state insurance, income tax, sales tax, duty of customs, goods and services tax, cess and other statutory dues applicable to it. There are no material outstanding statutory dues existing as on the last day of the financial year which is outstanding for more than six months from the day these becomes payable.

b) According to the information and explanations given to us and based on our examination of the records of the Company, there are no statutory dues relating to goods and services tax, provident fund, employees state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax or cess or other statutory dues which have not been deposited on account of any dispute other than those indicated below:

Name of the statute	Nature of disputed dues	Amount (₹ in lakhs)#	Year to which demand relates	Forum, where dispute is pending
Central Excise Act, 1944	Excise Duty	1,069.03	Various years from 1997 to 2009	CESTAT
Income Tax Act, 1961	Income Tax	5,202.62	Various Assessment Years from 2005-06 to 2018-19	Supreme Court/ Karnataka High Court / ITAT/ CIT (Appeals)
Maharashtra Electricity Act	Electricity Duty on captive power generation	2,385.14	August 1992 to August 1994 and 2015-16 to 2021-22	High Court, Mumbai
Goods & Service Tax	Post Assessment dues	7.79	2017-18	Dy. Commissioner Appeal-GST

#After taking into consideration of the payments under protest.

viii) According to the information and explanations given to us and as per the records examined by us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) as Income during the year.

ix) a) According to the information and explanations given and as per the records verified by us, the Company has not defaulted in repayment of loans or borrowings or in payment of interest thereon to banks and financial institutions. The Company has not borrowed any amount from the government and have not issued any debenture during the year.

b) According to the information and explanations given to us and on the basis of our examination of the records of the

Company, the Company has not been declared a 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 by the management, the term loan availed by the Company, during the year under review, has been applied for the purpose for which such loan was obtained.

d) On 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) On overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person or on account of or to meet

obligations of its subsidiaries as defined in the Act. The Company does not hold any investment in any associate or joint venture (as defined in the Act) during the year ended 31st March, 2022.

- f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not raised any loans, on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x) a) In our opinion and according to the information and explanations given to us and to the best of our knowledge and belief, the Company did not raise money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, clause 3(x)(a) of the Order is not applicable.
- b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting on clause 3(x)(b) of the Order is not applicable.
- xi) a) Based on examination of the books and records of the Company and according to the information and explanations given to us and considering the principles of materiality outlined in the Standards on Auditing, no fraud by or on the Company by its officers or employees has been noticed or reported during the year.
- b) According to the information and explanations given to us, no report under sub-Section (12) of Section 143 of the Act, has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- c) We have taken into consideration the

whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.

- xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has entered transactions, during the period, with the related parties as per the provisions of Section 177 and 188 of the Act, and wherever applicable the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- xiv) a) In our opinion, the Company has an adequate internal audit system commensurate with the size of the Company and the nature of its business.
- b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi) a) As per the information and explanations provided to us and based on the overall operations of the Company, the Company is not required to obtain registration under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clauses 3(xvi)(a) and 3(xvi)(b) of the Order are not applicable.
- b) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and accordingly reporting under clause 3(xvi)

(c) of the Order is not applicable

- c) According to the information and explanations provided to us, there are no Core Investment Companies (CICs) 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. Accordingly, clause 3(xviii) of the Order is not applicable.
- xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that the Company is not capable of meeting its liabilities existing at the date of the 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 upto 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) a) According to the information and explanations given to us there are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Act, in compliance with second proviso to sub-Section (5) of Section 135 of the Act. Accordingly, reporting under clause 3(xx) (a) of the Order is not applicable for the year.
- b) According to the information and explanations given to us, in respect of ongoing projects, the Company did not have any unspent amount towards CSR as at the end of the financial year and hence, reporting under clause 3(xx)(b) of the Order is not applicable for the year.

For UDAY & Co.

Chartered Accountants
Firm's Registration No.
004440S

K Sathyanarayanan

Partner
Membership No. 203644
UDIN 22203644AJIMYJ9771

Place: Bengaluru
Date: 20th May, 2022

For SMMP & Company

Chartered Accountants
Firm's Registration No.
120438W

Chintan Shah

Partner
Membership No. 166729
UDIN 22166729AJIPXG5413

Place: Mumbai
Date: 20th May, 2022

Annexure - B to the Independent Auditors' Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of I G Petrochemicals Limited of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of sub-Section (3) of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of I G Petrochemicals Limited ("the Company") as of 31st March, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's and Board of Director's Responsibilities for Internal Financial Controls

The Board of Directors of the Company are 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial

controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting 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 over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of

the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of Management and Directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 31st 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For UDAY & Co.

Chartered Accountants
Firm's Registration No.
004440S

K Sathyanarayanan

Partner
Membership No. 203644
UDIN 22203644AJIMYJ9771

Place: Bengaluru

Date: 20th May, 2022

For SMMP & Company

Chartered Accountants
Firm's Registration No.
120438W

Chintan Shah

Partner
Membership No. 166729
UDIN 22166729AJIPXG5413

Place: Mumbai

Date: 20th May, 2022

Standalone Balance Sheet

As at 31st March, 2022

(₹ in lakhs)

Particulars	Notes	As at 31 st March, 2022	As at 31 st March, 2021
ASSETS			
Non Current assets			
Property, Plant and Equipment	1(a)	73,334.42	69,775.39
Capital Work-In-Progress	1(a)	1,810.82	4,057.78
Investment Property	1(b)	49.69	50.87
Goodwill	1(a)	201.14	201.14
Other Intangible Assets	1(a)	5.43	26.24
Right to Use Assets	1(a)	27.99	103.85
		75,429.49	74,215.27
Financial Assets			
(i) Investments	2	5,092.40	4,320.23
(ii) Loans	3	4,063.30	3,899.87
(iii) Other Financial Assets	4(a)	3,859.92	2,165.02
(iv) Security Deposits	4(b)	186.23	166.16
Non-Current Tax Assets (Net)		1,324.82	1,613.09
Other Non-Current Assets	5	2,303.93	806.95
Total Non Current Assets		92,260.09	87,186.59
Current Assets			
Inventories	6	15,209.61	14,384.24
Financial Assets			
(i) Investments	7	7,253.87	1,500.00
(ii) Trade Receivables	8	34,676.78	19,874.96
(iii) Cash and Cash Equivalents	9(a)	624.06	748.93
(iv) Bank balances other than (iii) above	9(b)	10,146.20	3,598.62
(v) Loans	10	62.54	70.69
(vi) Other Financial Assets	11(a)	245.07	34.93
Other Current Assets	11(b)	967.20	983.16
Total Current Assets		69,185.33	41,195.53
TOTAL ASSETS		161,445.42	128,382.12
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	12	3,079.81	3,079.81
Other Equity	13	103,029.19	78,732.05
Total Equity		106,109.00	81,811.86
Liabilities			
Non Current Liabilities			
Financial Liabilities			
(i) Borrowings	14	11,433.46	8,981.60
(ii) Lease Liabilities	15(a)	21.23	33.51
(iii) Other Financial Liabilities	15(b)	-	919.00
Provisions	16	426.45	386.91
Deferred Tax Liabilities (Net)	17	7,783.77	6,963.91
Total Non Current Liabilities		19,664.91	17,284.93
Current Liabilities			
Financial Liabilities			
(i) Borrowings	18	670.85	1.57
(ii) Trade Payables	19(a)		
(a) Total outstanding dues of micro enterprises and small enterprises (MSME)		161.78	113.32
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		29,337.38	21,979.22
(iii) Other Financial Liabilities	19(b)	1,972.55	2,178.06
(iv) Lease Liabilities	19(c)	12.28	88.39
(v) Current Maturities of Long Term Borrowings	19(d)	1,564.89	3,797.85
Other Current Liabilities	20	1,745.12	1,028.42
Provisions	21	206.66	98.50
Total Current Liabilities		35,671.51	29,285.33
TOTAL EQUITY AND LIABILITIES			
Significant Accounting Policies	A	1,61,445.42	1,28,382.12
Notes on Financial Statements	1-49		

As per our report of even date
For **Uday & Co.**
Chartered Accountants

K. Sathyaranayanan
Partner
Membership No: 203644
Firm's Registration No.: 004440S
Place: Bengaluru

For **SMMP & Company**
Chartered Accountants

Chintan Shah
Partner
Membership No: 166729
Firm's Registration No.: 120438W
Place: Mumbai

For and on behalf of the Board of Directors of
I G Petrochemicals Limited

M M Dhanuka
Chairman
DIN 00193456
Place: Mumbai

Pramod Bhandari
Chief Financial Officer
Place: Mumbai

Nikunj Dhanuka
Managing Director & CEO
DIN 00193499
Place: London

Sudhir R Singh
Company Secretary
Place: Mumbai

Rajesh Muni
Independent Director
DIN 00193527
Place: Mumbai

Date: 20th May, 2022

Standalone Statement of Profit and Loss

For the year ended 31st March, 2022

(₹ in lakhs)

Particulars	Notes	Year ended 2021-2022	Year ended 2020-2021
INCOME			
Revenue from Operations	22	1,88,276.50	1,12,361.88
Other Income	23	914.24	473.64
TOTAL INCOME		1,89,190.74	1,12,835.52
EXPENSES			
Cost of Raw Material Consumed	24	1,23,332.81	66,224.80
Changes In Inventories of Finished Goods and Work-in-Progress	25	637.05	(1,081.13)
Employee Benefits Expense	26	7,514.42	7,069.79
Finance Cost	27	1,288.10	1,455.70
Depreciation and Amortisation Expenses	1 (a) & (b)	4,434.87	3,410.37
Other Expenses	28	16,131.93	10,288.95
TOTAL EXPENSES		1,53,339.18	87,368.48
Profit before Exceptional Items & Tax		35,851.56	25,467.04
Less: Exceptional Items			
Investment on Liquidation of Subsidiary written off		–	1,041.09
Less: Provision made in earlier years		–	(979.45)
Profit before Tax		35,851.56	25,405.40
Tax Expenses	37		
Current Tax		8,359.81	5,780.47
Deferred Tax		819.86	673.26
Profit for the year		26,671.89	18,951.67
Other Comprehensive Income / (Expenses)			
(i) Items that will not be reclassified to profit or loss			
Remeasurement of Defined Benefit Plan - Gratuity		(87.05)	87.14
(ii) Income Tax relating to items that will not be reclassified to profit or loss		21.91	(21.93)
Other Comprehensive Income For the Year		(65.14)	65.21
Total Comprehensive Income For the Year		26,606.75	19,016.88
Earning per Equity Share:	29		
Face value of shares ₹ 10 each, (Previous Year: ₹ 10 each)			
Basic & Diluted - ₹		86.60	61.54
Significant Accounting Policies	A		
Notes on Financial Statements	1-49		

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Date: 20th May, 2022

Statement of Changes in Equity

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

(₹ in lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
(A) Equity Share Capital		
Opening Balance	3,079.81	3,079.81
Changes in Equity Share Capital	-	-
Closing Balance	3,079.81	3,079.81

(B) Other Equity

(₹ in lakhs)

Particulars	Reserves and Surplus				Other Comprehensive Income	Total Other Equity
	Capital Reserve	Securities Premium Reserve	General Reserve	Retained Earnings		
Balance at 1st April, 2020	116.25	2,275.00	7,000.00	51,113.93	(174.11)	60,331.07
Profit for the Year	-	-	-	18,951.67	-	18,951.67
Other Comprehensive Income, net of tax	-	-	-	-	65.21	65.21
Dividend	-	-	-	(615.90)	-	(615.90)
Balance at 31st March, 2021	116.25	2,275.00	7,000.00	69,449.70	(108.90)	78,732.05
Profit for the Year	-	-	-	26,671.89	-	26,671.89
Other Comprehensive Income, net of tax	-	-	-	-	(65.14)	(65.14)
Dividend	-	-	-	(2,309.61)	-	(2,309.61)
Balance at 31st March, 2022	116.25	2,275.00	7,000.00	93,811.98	(174.04)	103,029.19

As per our report of even date
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Date: 20th May, 2022

Cash Flow Statement

for the year ended 31st March, 2022

(₹ in lakhs)

Particulars	Year ended 31 st March, 2022	Year ended 31 st March, 2021
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax and Extraordinary Items	35,851.56	25,405.40
Non-cash Adjustment to reconcile profit before tax to net cash flow:		
Depreciation / Amortisation Expenses	4,434.87	3,410.37
Impairment in the value of Investment in Subsidiary	-	61.64
Loss / (Profit) on Sale / Write off of Fixed Assets	217.24	4.62
Loss / (Profit) on Sale of Investments	(63.12)	(24.86)
Increase in Fair Value of Investment through Profit & Loss	(95.77)	(7.51)
Foreign Exchange Translation Difference Loss (Net)	(427.72)	(218.73)
Sundry Balances / Excess Provision Written Back	(1.58)	1.22
Interest Expense	761.05	1,066.34
Interest Income	(711.62)	(417.22)
Dividend Income	(1.62)	(0.49)
Operating Profit Before Working Capital Changes	39,963.29	29,280.78
Movements in Working Capital		
Increase / (decrease) in Trade Payables / Other Current liabilities	8,557.55	4,618.15
Decrease / (increase) in Trade receivables	(14,557.34)	(5,298.37)
Decrease / (increase) in Inventories	(825.37)	(4,876.06)
Decrease / (increase) in loans and advances	(9,724.51)	(2,982.98)
	(16,549.67)	(8,539.26)
Cash Generated From/(Used in) Operations	23,413.62	20,741.52
Direct Taxes Paid (Net of refunds)	(7,876.44)	(6,274.74)
Net Cash Flow from / (Used in) Operating Activities	15,537.18	14,466.78
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets, including intangible assets, CWIP	(9,062.48)	(5,157.80)
Proceeds from Sale of Fixed Assets	137.08	15.88
Purchase of Investments	(6,367.15)	(334.84)
Interest Received	312.29	258.76
Dividend Received	1.62	0.49
Net Cash Flow from / (Used in) Investing Activities	(14,978.64)	(5,217.51)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds/(Repayments) of Long-term borrowings	1,690.58	(6,374.86)
Interest Paid	(781.00)	(1,058.68)
Dividend Paid	(2,262.27)	(601.10)
Net Cash Flow from / (Used in) Financing Activities	(1,352.69)	(8,034.64)
Net Increase / (Decrease) (A+B+C)	(794.15)	1,214.63
Cash and Cash Equivalents (Opening Balance)	747.36	(467.27)
Cash and Cash Equivalents (Closing Balance)	(46.79)	747.36

NOTE : 1. Previous year figures have been regrouped / reclassified wherever applicable.

As per our report of even date
For **Uday & Co.**
Chartered Accountants

For **SMMP & Company**
Chartered Accountants

For and on behalf of the Board of Directors of
I G Petrochemicals Limited

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Chief Financial Officer
Place: Mumbai

Sudhir R Singh
Company Secretary
Place: Mumbai

Date: 20th May, 2022

Significant Accounting Policies

Note A:

(A) CORPORATE INFORMATION

I G Petrochemicals Limited having CIN L51496GA1988PLC000915, is engaged in the manufacturing of Phthalic Anhydride, Maleic Anhydride & Diethyl Phthalate. The Company is a public limited company incorporated in India with its registered office at T-10, 3rd Floor, Jairam Complex, Mala, Neugi Nagar, Panaji, Goa - 403 001.

(B) BASIS OF PREPARATION

These standalone financial statements have been prepared in accordance with Indian Accounting Standards (“Ind AS”) notified under Section 133 of the Companies Act, 2013 (“the Act”), read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.

The financial statements have been prepared in accordance with Ind AS under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, and on the basis of accounting principle of a going concern in accordance with generally accepted accounting principles (GAAP). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. The financial statements are presented in lakhs or decimal thereof unless otherwise specified.

Items included in the financial statements of Company are measured using the currency of the primary economic environment in which the Company operates (“the functional currency”). Indian rupee is the functional currency of the Company.

All amounts are rounded to two decimal places to the nearest lakh, unless otherwise stated.

(C) PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment is stated at acquisition cost net of recoverable taxes, trade discount and rebates less accumulated depreciation and accumulated impairment losses, if any.

Subsequent Cost

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

All other repairs and maintenance costs are charged to the Statement of Profit and Loss during the period in which they are incurred.

Gains or losses arising on retirement or disposal of property, plant and equipment are recognised in the Statement of Profit and Loss.

Capital Work In Progress

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as “Capital work-in-progress”.

Depreciation

Depreciation is calculated as per the estimated useful life of assets prescribed by the Schedule II of the Act.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate with exception to the following:

- Depreciation on property, plant and equipment of Maleic Anhydride acquired in earlier year from Mysore Petro Chemicals Limited is provided based on the useful

Significant Accounting Policies

life determined by the valuer which is as follows:

Asset	Useful life as per valuer	Useful life as per Schedule II
Building	20 to 30 years	30 years
Furniture & fixtures	5 years	10 years
Vehicles	5 to 6 years	8 years
Plant & Equipment	20 years	8 to 20 years
Road	10 years	10 years

Catalyst used in the production process is amortized over a period of 3 years against useful life of 8 to 20 years as per Schedule II, so as to expense out the cost over its estimated useful life based on a technical evaluation.

Freehold land is not required to amortize and leasehold land is amortized over the period of lease.

(D) INTANGIBLE ASSETS AND GOODWILL

Separately purchased intangible assets are initially measured at cost. Intangible assets acquired in a business combination are recognised at fair value at the acquisition date. Subsequently, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

The useful lives of intangible assets are assessed as either finite or indefinite. Finite-life intangible assets are amortised on a straight-line basis over the period of their expected useful lives.

Intangible assets comprising of Software are amortised on a straight line basis over its estimated useful life or maximum 5 years, whichever is less.

The amortisation period and the amortisation method for finite-life intangible assets is reviewed at each financial year end and adjusted prospectively, if appropriate.

Goodwill represents the cost of acquired business as established at the date of acquisition of the business in excess of the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities less

accumulated impairment losses, if any.

Goodwill is not amortised but are tested for impairment annually.

(E) INVESTMENTS IN SUBSIDIARIES AND JOINT VENTURE

Investments in subsidiaries and joint venture 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 to its recoverable amount. On disposal of investments in subsidiaries and joint venture, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

(F) OTHER INCOME

Insurance and other claims are accounted as and when unconditionally admitted by the appropriate authorities. Interest income is recognized on accrual basis and the dividend income on investment is recognized when the right to receive dividend is established.

(G) INVENTORIES

Inventories are valued at the lower of cost or net realisable value. Cost is computed on a weighted average basis. Cost of finished goods and work-in-progress include all costs of purchases, conversion costs and other costs incurred in bringing the inventories to their present location and condition. The net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and estimated costs necessary to make the sale.

(H) BORROWING COST

Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost, except in case of foreign currency borrowing which existed on the date of transition i.e. 1st April, 2016 from previous GAAP to Ind AS wherein Company continues to exercise the option in terms of para 46A inserted in the AS-11 - The Effects of Change in Foreign Exchange

Significant Accounting Policies

Rates. Consequently, the loss/gain of foreign exchange on translation of foreign exchange borrowing continued to be capitalized.

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalized 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.

(I) FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument.

On initial recognition, a financial asset is recognised at fair value. In case of financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction cost are recognized in the statement of profit and loss. In other cases, the transaction cost are attributed to the acquisition value of the financial asset.

Financial assets are subsequently classified as measured at:

Amortised cost

Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the effective interest rate ('EIR') method less impairment, if any. The amortization of EIR and loss arising from impairment, if any is recognized in the Statement of Profit and Loss.

Fair value through profit and loss (FVTPL)

A financial asset not classified as either

amortised cost or FVOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, is recognised in the Statement of Profit and Loss.

Fair value through other comprehensive income (FVOCI)

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income.

Fair value movements are recognized in the other comprehensive income (OCI).

Interest income measured using the EIR method and impairment losses, if any are recognized in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognized in OCI is reclassified from the equity to the Statement of Profit and Loss.

Financial assets are not reclassified subsequent to their recognition, except if and in the period the Company changes its business model for managing financial assets.

Trade Receivables and Loans

Trade receivables are held at realisable value net of any expected credit losses.

Debt Instruments

Debt instruments are subsequently measured at amortised cost, fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL') till derecognition on the basis of (i) the entity's business model for managing the financial assets and (ii) the contractual cash flow characteristics of the financial asset.

(a) Measured at amortised cost

Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that

Significant Accounting Policies

are solely payments of principal and interest, are subsequently measured at amortised cost using the effective interest rate ('EIR') method less impairment, if any. The amortisation of EIR and loss arising from impairment, if any is recognised in the Statement of Profit and Loss.

(b) Measured at fair value through other comprehensive income

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the other equity to 'other income' in the Statement of Profit and Loss.

(c) Cash and Cash Equivalents

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

(d) Measured at fair value through profit or loss

A financial asset not classified as either amortised cost or FVOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'other income' in the Statement of Profit and Loss.

Equity Instruments

All investments in equity instruments classified under financial assets are initially measured at fair value. The Company may, on initial recognition, irrevocably elect to measure the

same either at FVOCI or FVTPL.

The Company makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument is recognised as other income in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognised in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss.

Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

Impairment of Financial Asset

Expected credit losses are recognized for all financial assets subsequent to initial recognition other than financials assets in FVTPL category.

For financial assets other than trade receivables, as per Ind AS 109, the Company recognises 12 month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. The Company's trade receivables do not contain significant financing component. In determining the allowances for doubtful trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix.

The impairment losses and reversals are recognised in Statement of Profit and Loss.

Significant Accounting Policies

Financial Liabilities

Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the fair value. In case of trade payables, they are initially recognised at fair value and subsequently, these liabilities are held at amortised cost, using the effective interest method.

Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the EIR method.

Derecognition

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

(J) PROVISIONS AND CONTINGENT LIABILITIES

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future

events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The contingent liability is not recognized in books of account but its existence is disclosed in financial statements.

(K) REVENUE RECOGNITION

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Ind AS-115 "Revenue from contracts with Customers" provides a control-based revenue recognition model and provides a five step application approach to be followed for revenue recognition .

- A) Identify the contracts with a customer .
- B) Identify the performance obligations.
- C) Determine the transaction price;
- D) Allocate the transaction price to the performance obligations,
- E) Recognise revenue when or as an entity satisfies performance obligation.

Export incentive

Income from export incentives such as duty drawback and MEIS are recognised on accrual basis.

Service Contract

Income from services rendered is recognised based on agreements/ arrangements with the customers as the service is performed

Significant Accounting Policies

in proportion to the stage of completion of the transaction at the reporting date and the amount of revenue can be measured reliably.

Interest Income

Interest income is recognized on accrual basis.

Dividend Income

Dividend income on investments is recognised when the right to receive dividend is established.

Insurance Claims

Insurance claim receivable is accounted for when amount of claim is finalized by insurance company.

(L) EMPLOYEE BENEFITS

Defined contribution plans

Contributions to defined contribution schemes such as employees' state insurance, labour welfare fund, employee pension scheme etc. are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees.

Company's provident fund contribution, except of certain employees, is made to an irrevocable trust set up by the Company and contribution to pension fund deposited with the Regional Provident Fund Commissioner and charged as an expense to the Statement of Profit and Loss. The above benefits are classified as Defined Contribution Schemes as the Company has no further defined obligations beyond the monthly contributions.

In respect of certain employee, provident fund contributions are made to a trust administered by the Company. The interest rate payable to the members of the trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, shall be made good by the Company. The liability in respect of the shortfall of interest earnings of the Fund is determined on the basis of an actuarial valuation. The

Company also provides for retirement/post-retirement benefits in the form of gratuity and leave pay.

Defined benefit plans

For defined benefit plans, the amount recognised as "Employee benefit expenses" in the Statement of Profit and Loss is the cost of accruing employee benefits promised to employees over the year and the costs of individual events such as past/future service benefit changes and settlements (such events are recognised immediately in the Statement of Profit and Loss). The amount of net interest expense calculated by applying the liability discount rate to the net defined benefit liability or asset is charged or credited to "Employee benefit expense" in the Statement of Profit and Loss. Any differences between the interest income on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised immediately in 'Other comprehensive income' and subsequently not reclassified to the Statement of Profit and Loss.

The defined benefit plan surplus or deficit on the Balance Sheet comprises the total for each plan of the fair value of plan assets less the present value of the defined benefit liabilities (using a discount rate by reference to market yields on government bonds at the end of the reporting period).

All defined benefit plans obligations are determined based on valuations, as at the Balance Sheet date, made by independent actuary using the projected unit credit method. The classification of the Company's net obligation into current and non-current is as per the actuarial valuation report.

Termination benefits

Termination benefits, in the nature of voluntary retirement benefits or termination benefits arising from restructuring, are recognised in

Significant Accounting Policies

the Statement of Profit and Loss. The Company recognises termination benefits at the earlier of the following dates:

- (a) when the Company can no longer withdraw the offer of those benefits; or
- (b) when the Company recognises costs for a restructuring that is within the scope of Ind AS-37 and involves the payment of termination benefits.

Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value

Compensated absences

The employees of the Company are entitled to leave as per the leave policy of the Company. The liability in respect of unutilized leave balances is provided at the end of year and charged to the statement of profit and loss.

(M) 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. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this

amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

(N) INCOME TAXES:

Income tax expense for the year comprises of current tax and deferred tax. Tax is recognised in the Statement of Profit and Loss except to the extent it relates to a business combination or to an item which is recognised directly in equity or in other comprehensive income. In which case, the tax is also recognised in other comprehensive income or equity.

Current Tax

Current tax is the expected tax payable/receivable on the taxable income/ loss for the year using applicable tax rates at the Balance Sheet date, and any adjustment to taxes in respect of previous years..

Deferred Tax

Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the corresponding amounts used for tax base purposes.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future

Significant Accounting Policies

taxable profits will allow the deferred tax asset to be recovered.

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 assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

(O) FOREIGN CURRENCIES:

The financial statements are presented in INR (₹), the functional currency of the Company. In preparing the financial statement, transactions in currencies other than the entity's functional currencies (foreign currencies) are recognized at the rates of exchange prevailing at the dates of transactions. At the end of each reporting period, monetary items denominated in foreign currencies are restated at the rates prevailing at that date. Non monetary items that are measured in terms of historical cost in a foreign currency are not restated.

Exchange differences on monetary items are recognized in profit or loss in the period in which they arise except for:

Exchange differences on translations or settlement of long term foreign currency monetary items in respect of loans borrowed before 1st April, 2016 at rates different from those at which they were initially recorded or reported in the previous financial statements, in so far as it relates to acquisition of depreciable assets, are adjusted to the cost of the assets and depreciated over remaining useful life of such assets. In other cases of long term foreign currency monetary items, these are accumulated in "Foreign currency monetary item translation difference" by recognition as income or expense in each period over the balance term of such

items till settlement occurs but not beyond 31st March, 2022.

Exchange difference on foreign currency borrowing relating to assets under construction for future productive use are included in the cost of those assets to the extent they are regarded as an adjustment to interest cost.

(P) EARNINGS PER SHARE:

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity 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 for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

(Q) BUSINESS COMBINATION:

Business combinations are accounted for using the acquisition accounting method as at the date of the acquisition, which is the date at which control is transferred to the Company. The consideration transferred in the acquisition and the identifiable assets acquired and liabilities assumed are recognised at fair values on their acquisition date. 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 net identifiable assets acquired and liabilities assumed. The Company recognises any non-controlling interest in the acquired entity on an acquisition-

Significant Accounting Policies

by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. Consideration transferred does not include amounts related to settlement of pre-existing relationships. Such amounts are recognised in the Statement of Profit and Loss.

Transaction costs are expensed as incurred, other than those incurred in relation to the issue of debt or equity securities. Any contingent consideration payable is measured at fair value at the acquisition date. Subsequent changes in the fair value of contingent consideration are recognised in the Statement of Profit and Loss.

(R) LEASES:

The Company has adopted Ind AS-116 - Leases effective 1st April, 2019 using the modified retrospective method. The Company has applied the standard to its leases with the cumulative impact recognized on the date of initial application (1st April, 2019). Accordingly previous period information has not been restated.

The Company's leased asset classes primarily consist of leases for Buildings. The Company assesses whether a contract is or contains a lease, at inception of contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether :

- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding leases liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and leases of low value assets. For these short term and leases of low value assets, the Company recognizes the lease payments as on operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term or useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

A lease liability is remeasured upon the occurrences of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payment have been classified as financing cash flows.

Notes

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

1(a) PROPERTY, PLANT AND EQUIPMENT

Particulars	Freehold Land	Leasehold Land	Buildings	Plant & Equipments	Office Equipments	Furniture & Fixtures	Vehicles	Catalyst	Total	Intangible Assets (Computer Software)	Goodwill	Right to Use Assets		Capital work-in-progress (Refer Note-2)
												Use Assets	Improvement of Right to Use Assets	
Gross Carrying Amount														
At 1 st April, 2021	233.87	4,524.84	4,137.03	106,219.19	479.10	1,024.32	950.69	2,482.82	120,051.86	158.79	201.14	429.74	11.53	4,057.78
Additions	-	-	6.00	6,136.88	54.05	221.50	259.42	1,572.23	8,250.08	0.29	-	-	-	3,877.33
Disposal	-	-	(234.31)	(1,366.01)	(246.05)	(311.76)	(11.25)	(603.89)	(2,773.27)	-	-	-	-	(6,124.29)
At 31 st March, 2022	233.87	4,524.84	3,908.72	110,990.06	287.10	934.06	1,198.86	3,451.16	125,528.67	159.08	201.14	429.74	11.53	1,810.82
Accumulated Depreciation														
At 1 st April, 2021	-	357.12	1,620.60	45,613.23	393.68	607.52	401.15	1,283.17	50,276.47	132.55	-	335.02	2.40	-
Depreciation for the year	-	59.05	126.05	3,119.97	33.05	71.06	123.13	804.42	4,336.73	21.10	-	73.27	2.59	-
Disposal	-	-	(31.56)	(1,261.72)	(232.54)	(284.40)	(4.84)	(603.89)	(2,418.95)	-	-	-	-	-
At 31 st March, 2022	-	416.17	1,715.09	47,471.48	194.19	394.18	519.44	1,483.70	52,194.25	153.65	-	408.29	4.99	-
Net Carrying Amount														
At 1 st April, 2021	233.87	4,167.72	2,516.43	60,605.96	85.42	416.80	549.54	1,199.65	69,775.39	26.24	201.14	94.72	9.13	4,057.78
At 31 st March, 2022	233.87	4,108.67	2,193.63	63,518.58	92.91	539.88	679.42	1,967.46	73,334.42	5.43	201.14	21.45	6.54	1,810.82

Notes :

- Buildings include ₹ 250/- (Previous year ₹ 250/-) for shares issued in favour of the Company having office premises in a co-operative society.
- Capital work in Progress & Addition to fixed Assets includes Property, Plant & Equipment under construction ₹ 1,690.88 lakhs (Previous year - ₹ 3,709.36 lakhs), Machinery Spares Stock ₹ 0.90 lakhs (Previous year - ₹ 194.48 lakhs) and preoperative expenses and trial run expenses incurred during the year in the form of Employee Benefits expense of ₹ 157.35 lakhs (Previous year ₹ 396.71 lakhs), Rates & Taxes - ₹ Nil (Previous year ₹ 4.76 lakhs), Interest & Finance Expenses ₹ 18.98 lakhs (Previous year - ₹ 724.93 lakhs), Insurance Premium ₹ 29.14 lakhs (Previous year - ₹ 44.48 lakhs), Power, Fuel & Water Charges ₹ 19.66 lakhs (Previous year ₹ 436.02 lakhs), Raw material consumed ₹ 98.41 lakhs (Previous year Nil), Closing stock (₹ 112.41) lakhs (Previous year Nil), Stores and packing material consumed ₹ 5.87 lakhs (Previous year ₹ 41.75 lakhs), Repair & Maintenance ₹ Nil (Previous year ₹ 33.31 lakhs), Selling expenses ₹ Nil (Previous year ₹ 124.72 lakhs), Depreciation ₹ Nil (Previous year ₹ 47.71 lakhs) and Miscellaneous Expenses ₹ 273.15 lakhs (Previous year - ₹ 31.63 lakhs) Less Sale of Finished Goods ₹ Nil (Previous year ₹ 5,066.00 lakhs) and Other operating income ₹ Nil (Previous year ₹ 5.62 lakhs).

3. Goodwill

The Company tests goodwill annually for impairment

Goodwill was recognised from business combination during the year ended 31st March, 2018 and represents difference of purchase consideration paid & allocation to Identified Assets & Liabilities as per Valuer's Report on acquiring manufacturing unit of Maleic Anhydride. The estimated value-in-use of the Unit is based on the future cash flows using at 2% annual growth rate for periods subsequent to the forecast period of 5 years and discount rate of 17%. An analysis of the sensitivity of the computation to a change in key parameters (operating margin, discount rates and long term average growth rate), based on reasonable assumptions, did not identify any probable scenario in which the recoverable amount of the Unit would decrease below its carrying amount.

- Pursuant to the amendment to the Companies (Accounting Standards), Rules, 2006 by notification dated 29th December 2011 issued by the Ministry of Corporate Affairs and exemption allowed vide D133AA of Ind AS-101 first time adoption of Ind AS, the Company continues to exercise the option in terms of Para 46A inserted in the Standard for long term foreign currency monetary assets and liabilities. Consequently the loss of foreign exchange of ₹ 11.39 lakhs for the year and loss of foreign exchange ₹ 1,180.15 lakhs as on 31st March, 2022 has been capitalised.

Notes

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

Additional Disclosure of Capital Work In Progress

Capital Work-In-Progress Ageing Schedule: as on 31st March, 2022

(₹ in lakhs)

Capital Work In Progress (CWIP)	Amount in CWIP for a period of 31 st March, 2022				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1,810.82	–	–	–	1,810.82
Projects temporarily suspended	–	–	–	–	–

Capital Work-In-Progress Ageing Schedule: as on 31st March, 2021

(₹ in lakhs)

Capital Work In Progress (CWIP)	Amount in CWIP for a period of 31 st March, 2021				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	4,057.78	–	–	–	4,057.78
Projects temporarily suspended	–	–	–	–	–

1(b) INVESTMENT PROPERTY

(₹ in lakhs)

Particulars	
Building	
Gross Carrying Amount	
At 1 st April, 2021	75.27
Additions	–
Disposal	–
At 31st March, 2022	75.27
Accumulated Depreciation	
At 1 st April, 2021	24.40
Depreciation for the year	1.18
Disposal	–
At 31st March, 2022	25.58
Net Carrying Amount	
At 1 st April, 2021	50.87
At 31st March, 2022	49.69

(₹ in lakhs)

Particulars	Year ended 31 st March, 2022	Year ended 31 st March, 2021
Rental Income	15.29	13.10
Profit from Investment properties before Depreciation	15.29	13.10
Depreciation	1.18	1.18
Profit from Investment properties	14.11	11.92

Note: The fair value of investment properties is ₹ 233 lakhs (previous year ₹ 233 lakhs)

Notes

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

2 | NON-CURRENT INVESTMENTS

(₹ in lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Investment at Cost		
Unquoted		
Investment in Equity Instruments (Fully Paid-up)		
17,610 (Previous year - 17,610) shares of ₹ 100 each in Cosmos Co-operative Bank Ltd.	17.61	17.61
2,94,348 (Previous year - 2,94,348) shares of AED 100 each in IGPL International Limited (wholly owned subsidiary)	4,237.49	4,237.49
Total Non Current Investment at Cost	4,255.10	4,255.10
Investment measured at Fair Value through Profit & Loss		
Investment in Mutual Funds		
40,537.392 (Previous year - 40,537.392) units of ₹ 10 each in Principal Mutual Fund	13.10	11.48
Investment in Debentures (Fully Paid up)		
5 (Previous year - 5) 7.99% Debentures of L&T Infra Debt Fund Limited of ₹ 10,00,000 each. (Maturity date of above Debentures is 6 th October, 2023)	58.54	53.65
83 (Previous year-NIL) Embassy Property Developments Pvt Ltd (EPDPL) of ₹ 9,54,700 each (Maturity date of above Debentures is 28 th April, 2023)	765.66	–
Total Non Current Investment measured at Fair Value through Profit & Loss	837.30	65.13
Total Non Current Investments	5,092.40	4,320.23
Aggregate amount of unquoted Investments	5,092.40	4,320.23

3 | NON-CURRENT FINANCIAL ASSETS

Loan Receivables - Considered Good (Unsecured)		
Loan to related party (Wholly Owned Subsidiary) (Repayable terms of Agreement)	4,063.30	3,899.87
	4,063.30	3,899.87

Notes

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

4(a) NON-CURRENT - OTHER FINANCIAL ASSETS

(₹ in lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Deposits – Others	31.18	26.23
Loans to Employees	65.02	99.54
Fixed Deposits with Banks with a maturity period of above 12 months	3,763.72	2,039.25
	3,859.92	2,165.02

4(b) OTHER NON-CURRENT ASSETS - SECURITY DEPOSITS

Related Party (Refer Note No. 33)	91.50	71.43
Others	94.73	94.73
	186.23	166.16

5 OTHER NON-CURRENT ASSETS

Capital Advances for Purchase of Property, Plant and Equipment	1,598.43	50.61
Other Advances (Deposit with Government Authorities, etc.)	705.50	756.34
	2,303.93	806.95

6 INVENTORIES

(At lower of cost or net realisable value)		
Raw Materials	5,071.44	3,398.56
Raw Material in Transit	2,880.56	2,412.63
Stores and Spares	4,323.16	5,113.96
Work - in- Progress	1,253.16	591.79
Finished Goods	1,681.29	2,867.30
	15,209.61	14,384.24

Notes

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

7 | CURRENT INVESTMENTS

(₹ in lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Unquoted		
Investment measured at Fair Value through Profit & Loss		
Investment in Mutual Funds		
69,627.438 (Previous year - Nil) Units of ₹ 10 each of Union Balance Advantage Fund	10.38	–
9,99,950 (Previous year -Nil) Units of ₹ 100 each in Alpha Alternatives MSAR LLP	1,004.56	–
499.975 (Previous year-Nil) Units of ₹ 100000 each in ITI Long-Short Equity Fund	486.31	–
9,99,950.002 (Previous year -Nil) Units ₹ 100 each in ICICI Prudential Long Short Fund-Series II	1,012.55	–
4,67,196.142 (Previous year -Nil) Units ₹ 100 each in ICICI Prudential Floating Interest Fund	1,576.01	–
Investment with Portfolio Management Service provider		
Aventus Absolute Return Strategy (PMS)	1,082.88	1,000.00
Investment in Debentures (Fully Paid up)		
50 (Previous year - 50) 8.75% Debentures of Muthooth FinCorp Limited of ₹ 10,00,000 each (Maturity date of above Debentures is 21 st March, 2023)	550.45	500.00
50 (Previous year-NIL) Piramal Enterprises Limited of ₹ 10,00,000 each (Maturity date of above Debentures is 12 th January, 2023)	530.66	–
9,886 (Previous year-NIL) Think & Learn Private Ltd. of ₹ 10,000 each (Maturity date of above Debentures is 15 th March, 2023)	1,000.07	–
Total Current Investment	7,253.87	1,500.00
Aggregate amount of unquoted Investments	7,253.87	1,500.00

8 | TRADE RECEIVABLES (Refer Note 45)

(a) Considered Good - Secured	–	–
(b) Considered Good - Unsecured	34,690.69	19,882.94
(c) Significant Increase in Credit risk	–	–
(d) Credit Impaired	(13.91)	(7.98)
	34,676.78	19,874.96

Notes

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

9 | CASH AND CASH EQUIVALENTS

(₹ in lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
(a) Cash in hand	2.03	2.99
Balance with Scheduled Banks		
In Current Accounts	622.03	745.94
	624.06	748.93
(b) Other Bank Balances		
In Fixed Deposits (Held with Scheduled Banks as Margin)	2,327.57	2,001.88
In Deposits with Maturity of less than 12 Months	7,605.39	1,431.10
In Fixed Deposits (Provided to Government Department as Security)	1.23	1.17
In Margin Money Accounts	0.31	0.12
In Unpaid Dividend Accounts	211.70	164.35
	10,146.20	3,598.62
	10,770.26	4,347.55

10 | CURRENT FINANCIAL ASSETS - LOANS

Loan to Employees	62.54	70.69
	62.54	70.69

11(a) | CURRENT ASSETS - OTHER FINANCIAL ASSETS

Advances recoverable in cash or kind or for value to be received		
– Considered Good	245.07	34.93
	245.07	34.93

11(b) | OTHER CURRENT ASSETS

Prepayment	544.22	401.94
Export Incentive Receivable	144.22	230.56
Advance to Suppliers	278.76	350.66
	967.20	983.16

Notes

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

12 | EQUITY SHARE CAPITAL

(₹ in lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Authorised		
4,00,00,000 (Previous year - 4,00,00,000) Equity shares of ₹ 10/- each	4,000.00	4,000.00
10,00,000 (Previous year - 10,00,000) Preference shares of ₹ 100/- each	1,000.00	1,000.00
	5,000.00	5,000.00
Issued		
3,08,01,350 (Previous year- 3,08,01,350) Equity shares of ₹ 10/- each	3,080.14	3,080.14
Subscribed and Paid up		
3,07,94,850 (Previous year - 3,07,94,850) Equity shares of ₹ 10/- each	3,079.49	3,079.49
Add: Amount paid up on 6,500 shares forfeited	0.32	0.32
	3,079.81	3,079.81

The reconciliation of the number of shares outstanding is set out below:

Particulars	No. of Shares	No. of Shares
Equity Shares at the beginning of the year	3,07,94,850	3,07,94,850
Add : Shares Issued during the year	-	-
Equity Shares at the end of the year	3,07,94,850	3,07,94,850

The Details of Shares held by Promoters

Name of Promoters	As at 31 st March, 2022		As at 31 st March, 2021		% change during the year
	No. of Shares	%	No. of Shares	%	
Gembel Trade Enterprises Pvt. Ltd.	23,80,489	7.73	23,80,489	7.73	-
Kamrup Enterprises Ltd.	33,21,401	10.79	33,21,401	10.79	-
Mysore Petro Chemicals Ltd.	40,75,000	13.23	40,75,000	13.23	-
Savita Investment Company Ltd.	19,33,414	6.28	19,33,414	6.28	-
Shekhavati Investment Corporation Ltd.	31,00,425	10.07	31,00,425	10.07	-
Vincent (India) Ltd.	48,89,927	15.88	48,89,927	15.88	-
Shogun Vinimay (P) Ltd.	3,69,074	1.20	3,69,074	1.20	-
Bihariji Constructions (India) Ltd.	5,50,200	1.79	5,50,200	1.79	-
Kalimpong Produce Co. Ltd.	1,200	0.00	1,200	0.00	-
Madan Mohan Dhanuka	1,04,904	0.34	1,04,904	0.34	-
Nikunj Dhanuka	19,000	0.06	19,000	0.06	-
Umang Dhanuka	1,08,612	0.35	1,08,612	0.35	-
Mayank Dhanuka	1,36,288	0.44	1,36,288	0.44	-
Rajkumari Dhanuka	25,900	0.08	25,900	0.08	-
Bina Devi Dhanuka	22,073	0.07	22,073	0.07	-
Amishi Dhanuka	1,000	0.00	1,000	0.00	-
Neha Dhanuka	1,28,235	0.42	1,28,235	0.42	-
	2,11,67,142	68.74	2,11,67,142	68.74	-

There are no other shareholders holding more than 5%

Notes

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

13 | OTHER EQUITY

(₹ in lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Capital Reserve		
Balance as per last Balance Sheet	116.25	116.25
Securities Premium Reserve		
Balance as per last Balance Sheet	2,275.00	2,275.00
General Reserve		
Balance as per last Balance Sheet	7,000.00	7,000.00
Retained Earning		
Opening Balance at the beginning of the year	69,449.70	51,113.93
Add : Profit for the year	26,671.89	18,951.67
	96,121.59	70,065.60
Less: Appropriation		
Equity dividend	2,309.61	615.90
	93,811.98	69,449.70
Other Comprehensive Income (OCI)		
As per Last Balance Sheet	(108.90)	(174.11)
Add : Movement in OCI (Net) during the year	(65.14)	65.21
	(174.04)	(108.90)
Total Other Equity	103,029.19	78,732.05

14 | NON-CURRENT FINANCIAL LIABILITIES - BORROWINGS

Secured Loans		
Term Loan in Euro From a Bank	4,018.03	–
External Commercial Borrowing	7,415.43	8,981.60
	11,433.46	8,981.60

- i. The Company has availed two External Commercial Borrowings (ECB) which are repayable in 17 equal semi-annual instalments commencing from 29th November, 2019 and 15th September, 2013. The ECB is secured by the first pari-pasu charge on the fixed movable assets (other than current assets) and registered mortgage on immovable properties of the Company by way of first pari-passu charge. The ECB whose repayment commenced on 15th September, 2013 has since been repaid in full on 15th September, 2021.
- ii. Term Loan from Export Import Bank of India is secured by hypothecation of the Current assets, movable plant machinery and equipment, etc. of the Company and Personal Guarantee of two Directors of the Company, the loan is repayable in 20 equal quarterly instalments commencing from 1st October, 2024.

15 a | LEASE LIABILITIES

Right to Use Assets	21.23	33.51
	21.23	33.51

15 b | NON-CURRENT FINANCIAL LIABILITIES

Due to Related Party	–	919.00
	–	919.00

Notes

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

16 | LONG TERM PROVISIONS

(₹ in lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Provision for Leave Encashment	426.45	386.91
	426.45	386.91

17 | DEFERRED TAX LIABILITIES (NET)

Deferred Tax Assets:		
Provision allowed under tax on payment basis	37.17	(21.04)
	37.17	(21.04)
Deferred Tax Liabilities :		
Property, Plant & Equipments	7,811.76	6,922.52
Financial Assets	9.18	20.35
	7,820.94	6,942.87
Net Deferred Tax Liability (Net)	7,783.77	6,963.91
The movement on the deferred Tax account is as under:		
At the beginning of the year	6,963.91	6,290.65
Charge to statement of Profit & Loss (Net)	819.86	673.26
At the end of the year	7,783.77	6,963.91

18 | CURRENT FINANCIAL LIABILITIES - BORROWINGS

Secured		
Bank Borrowings	2.44	1.57
Bill Discounting Facility from Banks	668.41	-
	670.85	1.57

- i. Bank borrowings are secured by first pari passu charge on the whole of the current assets of the Company and second pari passu charge on the movable properties of the Company amongst Working Capital lenders under consortium banking arrangement. The loan is also secured by mortgage of immovable properties of the Company by way of second charge and Personal Guarantee of two Directors of the Company.
- ii. Bill discounting Facility is secured by respective book debts & personal Guarantee of two Directors of the Company.

19(a) | CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES (Refer Note 46)

(i) MSME	161.78	113.32
(ii) Others	25,038.62	17,625.14
(iii) Disputed dues - MSME	-	-
(iv) Disputed dues - Others	4,298.76	4,354.08
	29,499.16	22,092.54

Dues to parties covered under the Micro, Small and Medium Enterprises as per MSMED Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the Auditor.

Notes

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

19(b) CURRENT FINANCIAL LIABILITIES - OTHERS

(₹ in lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Unpaid Dividend (shall be credited to Investor Education and Protection Fund as and when due)	211.69	164.35
Security Deposits	3.50	3.50
Interest Accrued But not Due on Loans	33.90	53.84
Book Overdraft	–	57.50
Other Liabilities	1,723.46	1,898.87
	1,972.55	2,178.06

19(c) LEASE LIABILITIES

Right to Use Assets	12.28	88.39
	12.28	88.39

19(d) CURRENT MATURITIES OF LONG TERM BORROWINGS

External Commercial Borrowing	1,564.89	2,167.84
Due to Related Party	–	1,630.01
	1,564.89	3,797.85

20 OTHER CURRENT LIABILITIES

Advance from Customers	31.90	1.17
Statutory Dues & Taxes payable	1,713.22	1,027.25
	1,745.12	1,028.42

21 SHORT TERM PROVISIONS

Provision for Leave Encashment	86.90	79.72
Provision for Gratuity	119.76	18.78
	206.66	98.50

22 REVENUE FROM OPERATIONS

Particulars	Year ended 31 st March, 2022	Year ended 31 st March, 2021
Sale of products		
Finished Goods	1,88,031.70	1,12,113.26
Other Operating Revenues	244.80	248.62
	1,88,276.50	1,12,361.88

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

23 | OTHER INCOME

(₹ in lakhs)

Particulars	Year ended 31 st March, 2022	Year ended 31 st March, 2021
Interest		
– Bank Deposits	415.38	264.62
– Others	296.24	152.60
Increase in Fair Value of Investment through Profit & Loss	95.77	7.51
Profit on Sale of Investments	63.12	24.86
Dividend Received	1.62	0.49
Rent received	15.29	13.10
Other Non Operating Income	26.82	10.46
	914.24	473.64

24 | COST OF RAW MATERIALS CONSUMED

Opening Stock	3,398.56	3,752.94
Add: Purchases (Net)	1,25,005.69	65,870.42
	1,28,404.25	69,623.36
Less: Closing Stock	5,071.44	3,398.56
	1,23,332.81	66,224.80

25 | CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

Opening Inventories		
Work-in-Progress	591.79	997.16
Finished Goods	2,867.30	1,380.80
Stock under Trial run	112.41	–
Closing Inventories		
Work-in-Progress	1,253.16	591.79
Finished Goods	1,681.29	2,867.30
	637.05	(1,081.13)

26 | EMPLOYEE BENEFIT EXPENSE

Salaries, Wages and Bonus	6,428.29	6,007.95
Contribution to Provident and Other Funds	339.32	276.68
Gratuity Expenses	72.30	81.05
Employees Welfare Expenses	674.51	704.11
	7,514.42	7,069.79

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

27 | FINANCE COST

(₹ in lakhs)

Particulars	Year ended 31 st March, 2022	Year ended 31 st March, 2021
Interest		
– on Term Loans	262.13	431.38
– on Others	498.92	634.96
Bills Discounting and Bank Charges	527.05	389.36
	1,288.10	1,455.70

28 | OTHER EXPENSES

Consumption of Stores, Spares and Consumables	402.65	302.62
Consumption of Packing Materials	1,107.12	695.04
Power, Fuel and Water charges	4,179.27	2,495.90
Repairs and Maintenance		
Plant and Equipments	3,005.58	1,760.75
Buildings	103.16	31.12
Others	44.60	26.67
Insurance Premium	642.52	530.77
Rent	18.99	5.68
Rates and Taxes	110.86	85.30
Selling Expenses		
Brokerage and Commission	304.59	220.90
Freight outward	3,480.78	2,645.55
Port charges	122.13	75.07
Other selling expenses	153.96	99.34
Directors' Sitting Fees & Commission	579.81	286.77
Payment to Auditors (Refer Note 28.1)	24.16	18.16
Travelling & Conveyance	710.97	310.68
Legal & Professional fees	456.47	300.82
Foreign Exchange Translation Difference	(427.72)	(218.73)
Communication Cost	26.30	18.32
CSR Expenditure (Refer Note 41)	337.00	302.24
Loss on Sale of Fixed Assets	49.92	1.34
Provision for Doubtful Debtors	5.93	4.12
Miscellaneous Expenses	692.88	290.52
	16,131.93	10,288.95

28.1 | PAYMENTS TO AUDITORS

Audit Fees (Including Fee for Limited review)	24.00	18.00
Reimbursement of Expenses	0.16	0.16
	24.16	18.16

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29 | EARNING PER SHARE OF ₹ 10 EACH (EPS)

(₹ in lakhs)

Particulars	Year ended 31 st March, 2022	Year ended 31 st March, 2021
Profit after tax as per Statement of Profit & Loss	26,671.89	18,951.67
Weighted average No. of Shares in calculating basic and diluted EPS	3,07,94,850	3,07,94,850
Earning per Share		
Basic & Diluted - ₹	86.60	61.54

30 | CAPITAL COMMITMENT

Estimated amount of contracts remaining to be executed on capital account and not provided for net of advances.	13,978.08	474.66
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31 | CONTINGENT LIABILITIES

Contingent Liabilities not provided for		
a. Disputed Excise & Service tax matters	750.87	750.87
i) Cases decided in favour of the Company which are taken further in appeal before the appellate authorities by the department. (Deposit under Protest ₹ NIL, (Previous year ₹ NIL).		
ii) Other Matters for which the Company is in appeal. (Deposits paid under protest ₹ 665.35 lakhs (Previous year ₹ 735.53 lakhs)	665.35	735.53
iii) Show Cause Notices received (Deposits paid under protest ₹ 15.55 lakhs (Previous year ₹15.55 lakhs)	333.71	333.71
b. Claim against the Company not acknowledged as Debt.	197.08	189.29
c. Income Tax matters under dispute for various years due to additions/disallowances. (Deposit under protest ₹ 707.94 lakhs) (Previous year ₹ 707.94 lakhs)	5,910.56	5,984.23
d. Electricity Duty Disputed, writ petition has been filed before the Mumbai High Court through Captive Power Producers Association and stay has been granted.	2,355.51	1,949.58

The Management is confident that the matters will be in favour of the Company as per legal opinions obtained/ legal precedents.

Future cash outflows in respect of above items are determinable only on receipt of judgments / decisions pending at various forums/authorities.

- e. The Board at its meeting held on 20th May, 2022 considered and recommended a dividend @100 % i.e. ₹ 10/- per share of ₹ 10/- each for the financial year 2021-22 amounting to ₹ 3,079.49 lakhs. (Previous Year @75% i.e. ₹ 7.50/- per share taken as deduction under Reserves & Surplus) subject to approval of the members of the Company.

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

32 | SEGMENT INFORMATION

Primary Business Segment

The Company is exclusively engaged in a single business segment of manufacture and sale of organic chemicals and accordingly this is the only primary reportable segment.

Geographical Segments

Secondary segmental reporting is based on the geographical location of customers. The geographical segments have been disclosed based on revenues within India (sales to customers within India) and revenues outside India (sales to customers located outside India). Secondary segment assets and liabilities are based on the location of such asset/liability.

Information about Secondary Geographical Segments

(₹ in lakhs)

Segment Information	Year ended 31 st March, 2022			Year ended 31 st March, 2021		
	India	Outside India	Total	India	Outside India	Total
Revenue	1,68,320.11	19,956.39	1,88,276.50	1,03,092.45	9,269.43	1,12,361.88
Carrying amount of segment assets	1,47,984.34	13,461.08	1,61,445.42	1,17,331.43	11,050.69	1,28,382.12
Carrying amount of segment liabilities	37,647.74	17,688.68	55,336.42	30,499.38	16,070.88	46,570.26
Additions to Property, Plant & Equipment	8,250.37	–	8,250.37	26,455.74	–	26,455.74

33 | RELATED PARTY DISCLOSURE

Names of other related parties with whom transactions have taken place during the year

a. Key Management Personnel	Shri Nikunj Dhanuka – Managing Director & CEO Shri J K Saboo – Executive Director Shri M M Dhanuka – Chairman Shri Rajesh Muni – Director Dr. A K A Rathi – Director Dr. Vijayanti Pandit – Director Shri Pramod Bhandari – Chief Financial Officer Shri Sudhir R Singh – Company Secretary
b. Relatives of Key Management Personnel	Shri Mayank Dhanuka – Son of Chairman Shri Umang Dhanuka – Brother of Managing Director & CEO Shri Arpan Dhanuka – Son of Managing Director & CEO Smt. Bina Devi Dhanuka – Spouse of Chairman Smt. Raj Kumari Dhanuka – Mother of Managing Director & CEO Smt. Neha Dhanuka – Daughter in law of Chairman
c. Enterprises Over which Key Management Personnel and their relatives can exercise control	Mysore Petro Chemicals Limited Savita Investment Company Limited
d. Subsidiary Company	IGPL International Limited (Wholly owned Subsidiary)

Notes:

- The related party relationships have been determined on the basis of the requirements of the Indian Accounting Standard (Ind AS -24) “Related party disclosures” and the same have been relied upon by auditors.
- The relationships as mentioned above pertain to those related parties with whom transactions have taken place during the year.

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Transactions carried out and year end balances with related parties referred in above, in ordinary course of business are as under:

(₹ in lakhs)

Sr. No.	Name of Transaction	Related parties referred to in			
		(a) above	(b) above	(c) above	(d) above
1	Income				
	Sale of Goods (Including Taxes)	-	-	2,346.83	-
		(-)	(-)	(2,544.66)	(-)
	Interest Charged	-	-	-	217.45
		(-)	(-)	(-)	(142.58)
	Rent Received (Including Taxes)	-	-	18.04	-
		(-)	(-)	(15.46)	(-)
2	Expenses				
	Remuneration	943.46	305.64	-	-
		(751.95)	(237.69)	(-)	(-)
	Directors Sitting Fees & Commission	579.81	-	-	-
		(286.77)	(-)	(-)	(-)
	Interest	-	-	106.43	-
		(-)	(-)	(302.72)	(-)
	Rent (Including Taxes)	-	6.65	117.01	-
		(-)	(10.16)	(113.39)	(-)
3	Loans given during the year	-	-	-	-
		(-)	(-)	(-)	(2,624.72)
4	Investment (Net of Impairment)	-	-	-	4,237.49
		(-)	(-)	(-)	(4,237.49)
5	Amount Payable at year end				
	Against Purchase of MA Unit	-	-	-	-
		(-)	(-)	(2,549.01)	(-)
6	Amount Receivable at year end				
	Security Deposit	-	2.40	89.10	-
			(2.40)	(69.03)	
	Other Receivables	-	-	-	4,063.30
		(-)	(-)	(-)	(3,899.87)

Note: Amount in bracket represents figures for previous year.

Retirement benefits (i.e. gratuity) related to Key Managerial Personnel are recognised under employee benefit expenses in Statement of Profit and Loss with other employees gratuity cost of the Company based on the actuarial valuation carried out by independent actuary.

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

34 | EMPLOYEE BENEFITS

i. General Description of defined benefit plan

The Gratuity scheme is funded with an insurance company in the form of a qualifying insurance policy.

The following tables summarise the components of net benefit expense recognised in the statement of profit and loss account and the funded status and amounts recognized in the balance sheet.

(₹ in lakhs)

Particulars	Gratuity (funded) 31 st March, 2022	Gratuity (funded) 31 st March, 2021
a. Statement of Profit and Loss		
Net employee benefit expense (recognized in Personnel Expenses in Note 26)		
Current service cost	74.94	77.43
Net Interest cost on benefit obligation	(2.64)	3.62
Past service cost	–	–
Net Benefit / Cost	72.30	81.05
b Net employee benefit expense (recognized in Profit & Loss and other Comprehensive Income)		
Amount recognised in Profit & Loss account	72.30	81.05
Amount recognised in Other Comprehensive Income	87.05	(87.14)
Total Expenses / (Income) Recognized for the year	159.35	(6.09)
c Balance sheet		
Details of Provision for gratuity		
Defined benefit obligation	1,507.50	1,306.28
Fair value of plan assets	1,387.74	1,287.50
Less: Unrecognized past service cost		
Amount Recognised in the Balance Sheet	(119.76)	(18.78)
d Changes in the present value of the defined benefit obligation are as follows:		
Opening defined benefit obligation	1,306.29	1,343.39
Interest cost	88.38	85.40
Current service cost	74.94	77.43
Benefits paid	(43.61)	(111.42)
Actuarial (gains) / losses on obligation	81.50	(88.51)
Past service cost	–	–
Closing defined benefit obligation	1,507.50	1,306.29
e Changes in the fair value of plan assets are as follows:		
Opening fair value of plan assets	1287.50	1211.52
Contributions by employer	91.03	81.78
Benefits paid	14.75	(4.43)
Actuarial gains / (losses)	(5.54)	(1.37)
Closing fair value of plan assets	1387.74	1287.50

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(₹ in lakhs)

Particulars	Gratuity (funded) 31 st March, 2022	Gratuity (funded) 31 st March, 2021
f Maturity Profile of defined benefit Plan assets		
Within next 12 months (next annual reporting period)	265.62	193.87
Between 2 and 5 years	690.41	521.85
Between 6 and 10 years	813.44	786.03
g Quantitative sensitivity analysis for significant assumption is as below:		
Increase / decrease on present value of defined benefits obligation at the end of the year		
One percentage point increase in discount rate	(70.36)	(74.60)
One percentage point decrease in discount rate	77.14	80.25
One percentage point increase in rate of salary	71.41	58.50
One percentage point decrease in rate of salary	(68.69)	(53.53)
h Sensitivity Analysis Method		
Sensitivity analysis is determined based on the expected movement in liability, if the assumptions were not proved to be true on different count		
i The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:	%	%
Discount rate	7.45	7.07
Expected rate of return on assets	7.45	7.07
Employee turnover	5	5
Salary Escalation	4	4
Mortality	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Retirement Age	60	60

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

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35 | DERIVATIVE INSTRUMENTS AND UNHEDGED FOREIGN CURRENCY EXPOSURE

The Company uses Forward Exchange Contracts to hedge its exposure in foreign currency. The information on derivative instruments is as follows:

Particulars	31 st March, 2022		31 st March, 2021	
	Amount in Foreign currency	₹ in lakhs	Amount in Foreign currency	₹ in lakhs
i. Forward Contracts of sale outstanding as at the balance sheet date				
Forward currency contract - USD	6,807,133	5,160.29	3,963,464	2,913.33
ii. Particulars of unhedged foreign currency exposure as at the balance sheet date:				
Amount Receivable				
USD	-	-	-	-
GBP	4,081,571	4,063.30	3,863,139	3,899.87
Amount Payable				
Advance against Supply - USD	-	-	-	-
Import of Goods - USD	-	-	-	-
Import of Goods - Euro	5,057,058	4,281.30	5,057,058	4,354.08
Loans Payable - USD	-	-	-	-
Loans Payable - Euro	15,836,754	13,407.38	13,608,518	11,716.80

36 | FINANCIAL INSTRUMENTS

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criterial for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note-I of significant accounting policies to the financial statements.

(a) Financial assets and liabilities

The following table presents carrying amount and fair value of each category of financial assets and liabilities.

(₹ in lakhs)

Particulars	Amortised Cost	Fair Value through Profit and Loss A/c	Total Carrying Value	Total Fair Value (Level 2)	Total Fair Value (Level 3)
As at 31 st March, 2022					
Financial Assets					
Trade Receivables	34,676.78	-	34,676.78	34,676.78	-
Investment	4,255.10	8,091.17	12,346.27	12,346.27	-
Cash and bank	10,770.26	-	10,770.26	10,770.26	-
Other financial assets	8,417.06	-	8,417.06	-	8,417.06
Total	58,119.20	8,091.17	66,210.37	57,793.31	8,417.06

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

(₹ in lakhs)

Particulars	Amortised Cost	Fair Value through Profit and Loss A/c	Total Carrying Value	Total Fair Value (Level 2)	Total Fair Value (Level 3)
Financial Liabilities					
Borrowings	12,104.31	–	12,104.31	12,104.31	–
Trade Payable	29,499.16	–	29,499.16	29,499.16	–
Other financial liabilities	3,570.95	–	3,570.95	–	3,570.95
Total	45,174.42	–	45,174.42	41,603.47	3,570.95
As at 31st March, 2021					
Financial Assets					
Trade Receivables	19,874.96	–	19,874.96	19,874.96	–
Investment	4,255.10	1,565.13	5,820.23	5,820.23	–
Cash and bank	4,347.55	–	4,347.55	4,347.55	–
Other financial assets	6,336.67	–	6,336.67	–	6,336.67
Total	34,814.28	1,565.13	36,379.41	30,042.74	6,336.67
Financial Liabilities					
Borrowings	8,983.17	–	8,983.17	8,983.17	–
Trade Payable	22,092.54	–	22,092.54	22,092.54	–
Other financial liabilities	7,016.81	–	7,016.81	–	7,016.81
Total	38,092.52	–	38,092.52	31,075.71	7,016.81

- (b) The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into level 1 to level 3, as described below:

Level-1: Quoted (unadjusted) prices in active markets for identical assets or liabilities

Level-2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level-3: Techniques which use inputs that have a significant effect on the recorded Fair Value that are not based on observable market data.

- (c) **Financial Risk Management Policies and objectives:**

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Board.

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables, payables and loans and borrowings.

The Company manages market risk through a treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by Senior Management and the Audit Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures and borrowings.

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Interest rate risk

The Company's does not have any significant interest bearing asset however there are certain insignificant interest bearing liability. As such, the Company is not exposed to significant interest rate risk as at the reporting date.

Foreign currency risk

The Company operates internationally and portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through its sales and services in overseas and purchases from overseas suppliers in various foreign currencies.

The Company evaluates exchange rate exposure arising from foreign currency transactions and the Company follows established risk management policies, including the use of derivatives like foreign exchange forward contracts to hedge exposure to foreign currency risk.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company maintains sufficient cash and cash equivalents to manage its liquidity risk.

Credit Risk

Credit risk is the risk that counterparty will default on its contractual obligations resulting in a financial loss to the Company. To manage this, the Company periodically assess the financial reliability of customers, taking into account the financial condition, current economic trends, analysis of historical bad debts and agreeing of accounts receivable. Individual risk limit are set accordingly.

Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, investments, derivatives, cash and cash equivalents, bank deposits and other financial assets.

(d) Foreign Currency exposure as at 31st March, 2022

(₹ in lakhs)				
Particulars	USD	EUR	GBP	Total
Trade Receivables	5,160.29	–	–	5,160.29
Loans and advances	–	–	4,063.30	4,063.30
Trade Payable	–	(4,281.30)	–	(4,281.30)
Loan in Foreign Currency	–	(13,407.38)	–	(13,407.38)
Net Exposure	5,160.29	(17,688.68)	4,063.30	(8,465.09)
Foreign Currency exposure as at 31st March, 2021				
Trade Receivables	2,913.33	–	–	2,913.33
Loans and advances	–	–	3,899.87	3,899.87
Trade Payable	–	(4,354.08)	–	(4,354.08)
Loan in Foreign Currency	–	(11,716.80)	–	(11,716.80)
Net Exposure	2,913.33	(16,070.88)	3,899.87	(9,257.68)

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

(e) 1% increase or decrease in foreign currency exchange rates will have the following impact on profit before tax.

(₹ in lakhs)

Particulars	2021-22		2020-21	
	1% Increase	1% Decrease	1% Increase	1% Decrease
USD	51.60	(51.60)	29.13	(29.13)
EUR	(176.88)	176.88	(160.71)	160.71
GBP	40.63	(40.63)	39.00	(39.00)
AED	-	-	-	-
Increase / (Decrease) in Profit	(84.65)	84.65	(92.58)	92.58

37 | INCOME TAXES (IND AS 12):

(₹ in lakhs)

Particulars	Year ended 31 st March, 2022	Year ended 31 st March, 2021
Income tax recognised in Statement of Profit and Loss		
Current tax	8,359.81	5,780.47
Deferred tax	819.86	673.26
Total Income tax expenses recognised in the current year	9,179.67	6,453.73
The Income tax expenses for the year can be reconciled to the accounting profit as follows:		
Profit before tax	35,851.56	25,405.40
Add: Exceptional Items	-	61.64
Profit before exceptional items & tax	35,851.56	25,467.04
Applicable Tax Rate	25.17%	25.17%
Computed Tax Expense	9,023.12	6,409.54
Tax effect of:		
Income at Concessional rate of Tax	(28.96)	12.85
Expenses disallowed	154.42	32.92
Additional allowances	(788.77)	(674.84)
Current Tax expense	8,359.81	5,780.47
Incremental Deferred Tax Liability on account Property, Plant & Equipments	810.68	652.91
Incremental Deferred Tax Asset on account of Financial Assets and Other items	9.18	20.35
Deferred tax provision (Net)	819.86	673.26
Tax Expenses recognised in Statement of Profit and Loss	9,179.67	6,453.73
Effective Tax Rate	25.60%	25.34%

38 | BUSINESS COMBINATION

During the year ended 31st March, 2018 the Company had acquired the manufacturing unit of M/s Mysore Petro Chemicals Limited with effect from 1st April, 2017 for a consideration of ₹ 7,448.00 lakhs on slump sale basis, as per the valuation by Haribhakti & Co. LLP. The transaction was accounted under Ind AS 103 "Business Combination" as a business combination with the purchases price being allocated to identifiable assets and liabilities at fair value as determined by an approved valuer.

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Following Table present the allocation of purchase price

Particulars	(₹ in lakhs)
Net Tangible Assets	7,246.86
Goodwill	201.14
Total Purchase price	7,448.00

Goodwill arose in the acquisition of above business because the cost of combination included a control premium. In addition, the consideration paid for the combination effectively included amounts in relation to the benefit of expected synergies, revenue growth, future market development and assembled workforce of acquired business combination. These benefits are not recognised separately from goodwill as they do not meet the recognised criteria for identifiable intangible assets.

39 | RESEARCH & DEVELOPMENT

Research & Development Expenditure of ₹ 75.65 lakhs (Previous Year ₹ 69.96 lakhs) has been accounted for in the respective heads of the Statement of Profit and Loss.

40 | The outbreak of corona virus (Covid-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The management has made an assessment of the impact of Covid-19 on the Company's operations, financial performance and position as at 31st March, 2022 and has concluded that there is no material impact which is required to be recognised in the Standalone financial statements. Accordingly, no adjustment have been made to the financial results. However the Company continues to monitor the situation and take appropriate action, as considered necessary.

41 | CORPORATE SOCIAL RESPONSIBILITY

Particulars	Year ended 31 st March, 2022	Year ended 31 st March, 2021
– amount required to be spent by the Company during the year	314.96	299.49
– amount of expenditure incurred	337.00	302.24
– shortfall at the end of the year	–	–
– total of previous years shortfall	–	–
– reason for shortfall	–	–
– nature of CSR activities	Education, healthcare, livelihood and community services	Education, healthcare, livelihood and community services
– details of related party transactions, e.g., contribution to a trust controlled by the Company in relation to CSR expenditure as per relevant Accounting Standard	–	–
– where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	N.A.	N.A.

Notes

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

42 There was no impairment loss on non- financial assets on the basis of review carried out by the management in accordance with the Indian Accounting Standard (Ind AS-36) “Impairment of Assets”

43 The Company had elected to exercise the option permitted under Section 115 BAA of the Income Tax Act, 1961. Accordingly the Company has recognised Provision for Income Tax from Financial Year 2020-21.

44 The Code on Social Security 2020 (‘the Code’) relating to employee benefits, during the employment and post-employment, has received Presidential assent on 28th September, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on 13th November, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued.

The Company will assess the impact of the Code and will give appropriate impact in the financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact.

45 TRADE RECEIVABLES

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment as on 31 st March, 2022						TOTAL
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - considered good	29,292.04	5,398.65	-	-	-	-	34,690.69
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - Credit Impaired	(11.21)	(2.70)	-	-	-	-	(13.91)
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	-
Total	29,280.83	5,395.95	-	-	-	-	34,676.78

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment as on 31 st March, 2021						TOTAL
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - considered good	15,369.03	4,513.91	-	-	-	-	19,882.94

Notes

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

Particulars	Outstanding for following periods from due date of payment as on 31 st March, 2021						TOTAL
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - Credit Impaired	(5.72)	(2.26)	-	-	-	-	(7.98)
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	-
Total	15,363.31	4,511.65	-	-	-	-	19,874.96

46 TRADE PAYABLES

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment as on 31 st March, 2022						TOTAL
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	28.32	133.46	-	-	-	-	161.78
(ii) Others	1,295.47	23,655.63	48.97	18.67	19.88	-	25,038.62
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	4,298.76	4,298.76
Total	1,323.79	23,789.09	48.97	18.67	19.88	4,298.76	29,499.16

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment as on 31 st March, 2021						TOTAL
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	61.08	52.24	-	-	-	-	113.32
(ii) Others	987.24	16,556.50	10.96	50.55	0.84	19.05	17,625.14
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	4,354.08	4,354.08
Total	1,048.32	16,608.74	10.96	50.55	0.84	4,373.13	22,092.54

47 The Company has filed quarterly returns to banks against borrowings on security of Current Assets which are as per books of accounts.

Notes

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

48 FINANCIAL RATIO

Sr. No.	Name of the Ratio	Numerator	Denominator	Ratio		Reason for variance >25%
				31 st March, 2022	31 st March, 2021	
1	Current Ratio	Current assets	Current liabilities	1.94	1.41	Due to higher internal accruals used for working capital and short term Investments
2	Debt- Equity Ratio	Borrowings + Interest Accrued	Total Equity	0.11	0.12	-
3	Debt Service Coverage Ratio	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.	Debt service = Interest & Lease Payments + Principal Repayments	8.75	3.01	Lower utilisation of borrowings and finance cost thereon
4	Return on Equity Ratio	Net Profits after taxes	Average Shareholder's Equity	28.39%	26.10%	8.76
5	Inventory Turnover Ratio	Cost of goods sold OR sales	"Average Inventory is Average inventory is (Opening + Closing balance /2)"	8.48	5.54	Optimum utilisation of Inventories
6	Trade Receivable Turnover Ratio	Net Credit Sales	Avg. Accounts Receivable	6.90	6.57	5.08
7	Trade Payable Turnover Ratio	Net Credit Purchases	Average Trade Payables	4.85	2.86	69.44
8	Net Capital Turnover Ratio	Net Sales	Working Capital	5.62	9.43	(40.45) Higher sales with lower Working Capital
9	Net Profit Ratio	Net profit	Net Sales	14.17%	16.87%	(16.01)
10	Return on Capital employed	Earning before interest and taxes	Capital Employed	0.31	0.29	7.27
11	Return on Investment	{MV(T1) - MV(T0) - Sum [C(t)]}	{MV(T0) + Sum [W(t) * C(t)]}	3.46%	0.58%	496.55 Better yield during the year

49 PREVIOUS YEAR COMPARATIVES

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

As per our report of even date
For **Uday & Co.**
Chartered Accountants

K. Sathyanarayanan
Partner
Membership No: 203644
Firm's Registration No.: 004440S
Place: Bengaluru

Date: 20th May, 2022

For and on behalf of the Board of Directors of
I G Petrochemicals Limited

Chintan Shah
Partner
Membership No: 166729
Firm's Registration No.: 120438W
Place: Mumbai

M M Dhanuka
Chairman
DIN 00193456
Place: Mumbai

Nikunj Dhanuka
Managing Director & CEO
DIN 00193499
Place: London

Rajesh Muni
Independent Director
DIN 00193527
Place: Mumbai

Pramod Bhandari
Chief Financial Officer
Place: Mumbai

Sudhir R Singh
Company Secretary
Place: Mumbai

Independent Auditor's Report

To the Members of I G Petrochemicals Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of I G Petrochemicals Limited (hereinafter referred to as "the Holding Company") and its subsidiary (Holding Company and its subsidiary together referred to as "the Group"), which comprise the consolidated balance sheet as at 31st March, 2022, and the consolidated statement of Profit and Loss (including other comprehensive income), and the consolidated statement of changes in equity, and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the group as at 31st March, 2022, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India 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 thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
<p>Capitalisation of Property, Plant and Equipment</p> <p>During the year ended 31st March, 2022, the Holding Company has incurred significant capital expenditure. Out of the total additions to Property, Plant and Equipment of ₹ 8,250.08 lakhs, significant part of the capitalisation pertain to DEP plant. The plant has been successfully commissioned and capitalized during the year.</p>	<p>Our audit approach was a combination of test of internal controls and substantive procedures including:</p> <ul style="list-style-type: none"> ▪ Performing walk through of the capitalisation process and testing the design and operating effectiveness of the controls in the process. ▪ Assessing the nature of additions made to property, plant and equipment and capital work-in-progress on a test check basis and carry out testing to ensure that they meet the recognition criteria as set out in para 16 to 22 of Ind AS-16, including any such costs incurred specifically for trial run.

Key audit matter	How our audit addressed the key audit matter
<p>Significant level of judgement is involved to ensure that the aforesaid capital expenditure/additions meet the recognition criteria of Ind AS-16 - Property, Plant and Equipment, specifically in relation to determination of trial run period and costs associated with trial runs for it to be ready for intended use.</p> <p>As a result, the aforesaid matter was determined to be a key audit matter</p>	<ul style="list-style-type: none"> ▪ Assessing that the borrowing cost capitalised (including foreign exchange to the extent it is considered as an adjustment to interest cost) is in accordance with the accounting policy of the Company. ▪ Reviewing the project completion certificate provided by the management to determine whether the asset is in the location and condition necessary for it to be capable of operating in the manner intended by the management.

Information Other than the Consolidated Financial Statements and Auditor's Report thereon

The Holding Company's Board of Directors is responsible for preparation of the other information. The other information comprises the information included in the Holding Company's Management Discussion and Analysis Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon. This other information is expected to be made available to us after the date of this auditors' report.

Our opinion on the consolidated financial statements does not cover the other information and we will 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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If based on the work we performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the 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 state of affairs, consolidated profit/ loss, including other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the 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 each entity and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the entities included in the Group are responsible for assessing the ability of each entity to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the entity included in the Group is responsible for overseeing the financial reporting process of each entity.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 entity has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. 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 manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, 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 of foreign

subsidiary whose financial statements reflect total assets of ₹ 3,672.10 lakhs as at 31st March, 2022, total revenues of ₹ 0.60 lakhs, total net loss of ₹ 221.57 lakhs, total comprehensive loss of ₹ 221.57 lakhs and net cash outflows amounting to ₹ 721.09 lakhs for the year ended on that date, as considered in the consolidated financial statements. This financial statement 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 subsidiary is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to online audit and our reliance on the work done and the report of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, 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 purposes of our audit of the aforesaid consolidated financial statements;
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and report of the other auditors;
 - (c) The consolidated balance sheet, the consolidated statement of profit and loss (including the other comprehensive income), the consolidated statement of changes in equity, and the consolidated cash flow statement dealt with by this report are in agreement with the relevant books

of account maintained for the purpose of preparation of the consolidated financial statements;

- (d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended;
- (e) On the basis of the written representations received from the Directors of the Holding Company as on 31st March, 2022 and taken on record by the Board of Directors of the Holding Company, none of the Directors of the Holding Company is disqualified as on 31st 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 Holding Company and the operating effectiveness of such controls, refer to our audit report on consolidated financial statements. The subsidiary is incorporated outside India and hence the requirements of this clause are not applicable to this entity.
- (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 Holding 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, 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 as at 31st March, 2022 on the consolidated financial position of the Group—Refer Note 30 to the consolidated financial statements;

- ii. Provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company.
- iv. a) The Management of the Holding Company has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or its subsidiary to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or its subsidiary or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- b) The Management of the Holding Company, has represented that, to the best of its knowledge and belief, no funds have been received by the Company or its subsidiary from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or

otherwise, that the Company or its subsidiary shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Funding Parties or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material mis- statement.
- v. The final dividend paid by the Holding Company during the current year in respect of the same declared for the previous year is in accordance with

Section 123 of the Act to the extent it applies to payment of dividend. As stated in note 30(e) to the financial statements, the Board of Directors of the Holding Company have proposed final dividend for the current year which is subject to the approval of the members 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.

For UDAY & Co.
Chartered Accountants
Firm’s Registration No.
004440S

For SMMP & Company
Chartered Accountants
Firm’s Registration No.
120438W

K Sathyanarayanan
Partner
Membership No. 203644
UDIN 22203644AJINEJ6521

Chintan Shah
Partner
Membership No. 166729
UDIN 22166729AJIPXW2663

Place: Bengaluru
Date: 20th May, 2022

Place: Mumbai
Date: 20th May, 2022

Consolidated Balance Sheet

As at 31st March, 2022

(₹ in lakhs)

Particulars	Note	As at 31 st March, 2022	As at 31 st March, 2021
ASSETS			
Non Current assets			
Property, Plant and Equipment	1(a)	73,334.42	69,775.39
Capital Work-In-Progress	1(a)	11,799.55	13,185.55
Investment Property	1(b)	49.69	50.87
Goodwill	1(a)	201.14	201.14
Other Intangible Assets	1(a)	5.43	26.24
Right to Use Assets	1(a)	27.99	103.85
		85,418.22	83,343.04
Financial Assets			
(i) Investments	2	854.91	82.74
(ii) Other Financial Assets	3(a)	3,859.92	2,165.02
(iii) Security Deposits	3(b)	186.23	166.16
Non-Current Tax Assets (Net)		1,324.82	1,613.09
Other Non-Current Assets	4	2,303.93	806.95
Total Non-Current Assets		93,948.03	88,177.00
Current Assets			
Inventories	5	15,209.61	14,384.24
Financial Assets			
(i) Investments	6	7,253.87	1,500.00
(ii) Trade Receivables	7	34,676.78	19,874.96
(iii) Cash and Cash Equivalents	8(a)	2,608.22	3,504.19
(iv) Bank balances other than (iii) above	8(b)	10,146.20	3,851.00
(v) Loans	9	62.54	70.69
(vi) Other Financial Assets	10(a)	245.07	34.93
Other Current Assets	10(b)	967.20	983.16
Total Current Assets		71,169.49	44,203.17
TOTAL ASSETS		165,117.52	132,380.17
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	11	3,079.81	3,079.81
Other Equity	12	103,131.50	79,119.94
Total Equity		106,211.31	82,199.75
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
(i) Borrowings	13	11,433.46	8,981.60
(ii) Lease Liabilities	14(a)	21.23	33.51
(iii) Other Financial Liabilities	14(b)	-	919.00
Provisions	15	426.45	386.91
Deferred Tax Liabilities (Net)	16	7,783.77	6,963.91
Total Non-Current Liabilities		19,664.91	17,284.93
Current Liabilities			
Financial Liabilities			
(i) Borrowings	17	4,230.84	3,611.57
(ii) Trade Payables	18(a)		
(a) Total outstanding dues of micro enterprises and small enterprises (MSME)		161.78	113.32
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		29,337.38	21,979.38
(iii) Other Financial Liabilities	18(b)	1,982.35	2,178.06
(iv) Lease Liabilities	18(c)	12.28	88.39
(v) Current Maturities of Long Term Borrowings	18(d)	1,564.89	3,797.85
Other Current Liabilities	19	1,745.12	1,028.42
Provisions	20	206.66	98.50
Total Current Liabilities		39,241.30	32,895.49
TOTAL EQUITY AND LIABILITIES		165,117.52	132,380.17
Significant Accounting Policies	A		
Notes on Financial Statements	1-49		

As per our report of even date
For **Uday & Co.**
Chartered Accountants

K. Sathyanarayanan
Partner
Membership No: 203644
Firm's Registration No.: 004440S
Place: Bengaluru

For **SMMP & Company**
Chartered Accountants

Chintan Shah
Partner
Membership No: 166729
Firm's Registration No.: 120438W
Place: Mumbai

For and on behalf of the Board of Directors of
I G Petrochemicals Limited

M M Dhanuka
Chairman
DIN 00193456
Place: Mumbai

Pramod Bhandari
Chief Financial Officer
Place: Mumbai

Nikunj Dhanuka
Managing Director & CEO
DIN 00193499
Place: London

Sudhir R Singh
Company Secretary
Place: Mumbai

Rajesh Muni
Independent Director
DIN 00193527
Place: Mumbai

Date: 20th May, 2022

Consolidated Statement of Profit and Loss

For the year ended 31st March, 2022

(₹ in lakhs)

Particulars	Notes	Year ended 31 st March, 2022	Year ended 31 st March, 2021
INCOME			
Revenue from Operations	21	1,88,276.50	1,12,361.88
Other Income	22	697.39	332.84
TOTAL INCOME		1,88,973.89	1,12,694.72
EXPENSES			
Cost of Raw Material Consumed	23	1,23,332.81	66,224.80
Changes In Inventories of Finished Goods and Work-in-Progress	24	637.05	(1,081.13)
Employee Benefits Expense	25	7,514.42	7,069.79
Finance Cost	26	1,288.10	1,455.73
Depreciation and Amortisation Expenses	1(a)&(b)	4,434.87	3,410.37
Other Expenses	27	16,136.65	10,288.95
TOTAL EXPENSES		1,53,343.90	87,368.51
Profit before Exceptional Items & Tax		35,629.99	25,326.21
Less: Exceptional Items			
Investment on Liquidation of Subsidiary written off		-	61.64
Profit before tax		35,629.99	25,264.57
Tax Expenses	36		
Current Tax		8,359.81	5,780.47
Deferred Tax		819.86	673.26
Profit for the year		26,450.32	18,810.84
Other Comprehensive Income / (Expenses)			
(i) Items that will not be reclassified to profit or loss			
Remeasurement of Defined Benefit Plan - Gratuity		(87.05)	87.14
(ii) Income Tax relating to items that will not be reclassified to profit or loss		21.91	(21.93)
Other Comprehensive Income For the Year		(65.14)	65.21
Total Comprehensive Income For the Year		26,385.18	18,876.05
Earning per Equity Share	28		
Face value of shares ₹ 10 each, (Previous Year: ₹ 10 each)			
Basic & Diluted - ₹		85.88	61.08
Significant Accounting Policies	A		
Notes on Financial Statements	1-49		

As per our report of even date
For **Uday & Co.**
Chartered Accountants

K. Sathanarayanan
Partner
Membership No: 203644
Firm's Registration No.: 004440S
Place: Bengaluru

For **SMMP & Company**
Chartered Accountants

Chintan Shah
Partner
Membership No: 166729
Firm's Registration No.: 120438W
Place: Mumbai

For and on behalf of the Board of Directors of
I G Petrochemicals Limited

M M Dhanuka
Chairman
DIN 00193456
Place: Mumbai

Pramod Bhandari
Chief Financial Officer
Place: Mumbai

Nikunj Dhanuka
Managing Director & CEO
DIN 00193499
Place: London

Sudhir R Singh
Company Secretary
Place: Mumbai

Rajesh Muni
Independent Director
DIN 00193527
Place: Mumbai

Date: 20th May, 2022

Statement of Changes in Equity

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

(₹ in lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
(A) Equity Share Capital		
Opening Balance	3,079.81	3,079.81
Changes in Equity Share Capital	-	-
Closing Balance	3,079.81	3,079.81

(B) Other Equity

(₹ in lakhs)

Particulars	Reserves and Surplus					Other Comprehensive Income	Total Other Equity
	Capital Reserve	Securities Premium Reserve	General Reserve	Foreign Currency Translation reserve on consolidation	Retained Earnings		
Balance at 1st April, 2020	116.25	2,275.00	7,000.00	(53.29)	51,027.95	(174.11)	60,191.80
Profit for the Year	-	-	-	-	18,810.84	-	18,810.84
Other Comprehensive Income, net of tax	-	-	-	-	-	65.21	65.21
Foreign Currency Translation reserve on consolidation	-	-	-	667.99	-	-	667.99
Dividend	-	-	-	-	(615.90)	-	(615.90)
Balance at 31st March, 2021	116.25	2,275.00	7,000.00	614.70	69,222.89	(108.90)	79,119.94
Profit for the Year	-	-	-	-	26,450.32	-	26,450.32
Other Comprehensive Income, net of tax	-	-	-	-	-	(65.14)	(65.14)
Foreign Currency Translation reserve on consolidation	-	-	-	(64.01)	-	-	(64.01)
Dividend	-	-	-	-	(2,309.61)	-	(2,309.61)
Balance at 31st March, 2022	116.25	2,275.00	7,000.00	550.69	93,363.60	(174.04)	103,131.50

As per our report of even date
For **Uday & Co.**
Chartered Accountants

K. Sathyanarayanan
Partner
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Firm's Registration No.: 004440S
Place: Bengaluru

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Place: Mumbai

Date: 20th May, 2022

Consolidated Cash Flow Statement

for the year ended 31st March, 2022

(₹ in lakhs)

Particulars	Year ended 31 st March, 2022	Year ended 31 st March, 2021
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax and Extraordinary Items	35,629.99	25,264.57
Non -cash Adjustment to reconcile profit before tax to net cash flow:		
Depreciation / Amortisation Expenses	4,434.87	3,410.37
Loss / (Profit) on Sale / Write off of Fixed Assets	217.24	4.62
Foreign Currency Translation reserve on consolidation	(64.01)	667.99
Loss / (Profit) on Sale of Investments	(63.12)	(24.86)
Increase in Fair Value of Investment through Profit & Loss	(95.77)	(7.51)
Foreign Exchange Translation Difference Loss (Net)	(427.72)	(218.73)
Sundry Balances / Excess Provision Written Back	(1.58)	1.22
Interest Expense	761.05	1,066.34
Interest Income	(494.77)	(276.42)
Dividend Income	(1.62)	(0.49)
Operating Profit Before Working Capital Changes	39,894.56	29,887.10
Movements in Working Capital		
Increase / (decrease) in Trade Payables / Other Current liabilities	8,567.19	4,617.07
Decrease / (increase) in Trade receivables	(14,557.34)	(5,298.37)
Decrease / (increase) in Inventories	(825.37)	(4,876.06)
Decrease / (increase) in loans and advances	(9,523.04)	271.46
	(16,338.56)	(5,285.90)
Cash Generated From/(Used in) Operations	23,556.00	24,601.20
Direct Taxes Paid (Net of refunds)	(7,876.44)	(6,274.74)
Net Cash Flow from / (Used in) Operating Activities	15,679.56	18,326.46
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets, including intangible assets,CWIP	(9,923.44)	(7,063.21)
Proceeds from Sale of Fixed Assets	137.08	15.88
Purchase of Investments	(6,367.15)	(370.00)
Interest Received	309.78	167.45
Dividend Received	1.62	0.49
Net Cash Flow from /(Used in) Investing Activities	(15,842.11)	(7,249.39)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds/(Repayments) of Long-term borrowings	1,690.58	(6,374.86)
Interest Paid	(781.00)	(1,058.68)
Dividend Paid	(2,262.27)	(601.10)
Net Cash Flow from /(Used in) Financing Activities	(1,352.69)	(8,034.64)
NET INCREASE / (DECREASE) (A+B+C)	(1,515.24)	3,042.43
Cash and Cash Equivalents (Opening Balance)	3,159.15	116.72
Cash and Cash Equivalents (Closing Balance)	1,643.91	3,159.15

NOTE: 1. Previous year figures have been regrouped / reclassified wherever applicable.

As per our report of even date
For **Uday & Co.**
Chartered Accountants

For **SMMP & Company**
Chartered Accountants

For and on behalf of the Board of Directors of
I G Petrochemicals Limited

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Chief Financial Officer
Place: Mumbai

Sudhir R Singh
Company Secretary
Place: Mumbai

Date: 20th May, 2022

Significant Accounting Policies

Note A :

(A) GENERAL INFORMATION

I G Petrochemicals Limited (“the Company”) having CIN L51496GA1988PLC000915 together with its subsidiary are engaged in the manufacturing of Phthalic Anhydride, Maleic Anhydride & Diethyl Pthalate. The Company is a public limited Company incorporated in India with its registered office at T-10, 3rd Floor, Jairam Complex, Mala, Neugi Nagar, Panaji, Goa - 403 001.

(B) BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with Indian Accounting Standards (“Ind AS”) notified under Section 133 of the Companies Act 2013 (“the Act”), read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, and on the basis of accounting principle of a going concern in accordance with generally accepted accounting principles (GAAP). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. The financial statements are presented in lakhs or decimal thereof unless otherwise specified.

Items included in the financial statements of Company are measured using the currency of the primary economic environment in which the Company operates (“the functional currency”). Indian rupee is the functional currency of the Company. All amounts are rounded to two decimal places to the nearest

lakh, unless otherwise stated.

(C) PRINCIPLES OF CONSOLIDATION

- i) The consolidated financial statements have been prepared under the historical cost convention, with the exception of certain assets and liabilities that are required to be carried at fair values by Ind-AS.
- ii) The financial statements of the Group are consolidated on line-by-line basis, intra-group transactions, balances and any unrealized gains arising from intra-group transactions are eliminated. Unrealised losses are eliminated, but only to the extent that there is no evidence of impairment. All temporary differences that arise from the elimination of profits and losses resulting from intra group transactions are recognized as per Ind AS-12, Income Taxes.
- iii) The Consolidated Financial Statements have been prepared using uniform accounting policies for like transaction and other events in similar circumstances and are presented to the extent possible in the same manner as the Company’s standalone financial statements.
- iv) Translation of the financial statement of foreign operation is effected as under:
 1. Income and expenses are translated at the average exchange rate prevailing during the year.
 2. All assets and liabilities both monetary and non-monetary are translated at the exchange rate prevalent at the date of financial statement.
 3. The resulting net exchange differences are recognized as foreign currency

Significant Accounting Policies

translation reserve as part of Reserve and Surplus.

(D) THE NAME OF SUBSIDIARY COMPANY AND COMPANY'S HOLDINGS ARE AS UNDER

Name of the Company	Country of incorporation	Ownership in % either directly or through subsidiaries	
		2021-22	2020-21
Foreign subsidiary			
IGPL International Limited	UAE	100%	100%

(E) USE OF ESTIMATES AND JUDGEMENTS

The preparation of financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions. These estimates judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and if material their effects are disclosed in the notes to the consolidated financial statements.

(F) FUNCTIONAL AND PRESENTATION CURRENCY

The consolidated financial statements are presented in Indian rupees (INR), which is also the functional currency of the holding Company. All amounts have been rounded off to the nearest lakhs, unless otherwise indicated in respect of subsidiaries whose functional currency has been determined to be currency

of the primary economic environment in which the entity operates.

(G) PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment is stated at acquisition cost net of recoverable taxes, trade discount and rebates less accumulated depreciation and accumulated impairment losses, if any.

Subsequent Cost

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

All other repairs and maintenance costs are charged to the Statement of Profit and Loss during the period in which they are incurred.

Gains or losses arising on retirement or disposal of property, plant and equipment are recognised in the Statement of Profit and Loss.

Capital Work In Progress

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress".

Depreciation

Depreciation is calculated as per the estimated useful life of assets prescribed by the Schedule II to the Act.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate with exception to the following:

- Depreciation on property, plant and

Significant Accounting Policies

equipment acquired from Mysore Petro Chemicals Limited is provided based on the useful life determined by the valuer which is as follows :

Asset	Useful life as per valuer	Useful life as per Schedule II
Building	20 to 30 years	30 years
Furniture & fixtures	5 years	10 years
Vehicles	5 to 6 years	8 years
Plant & Equipment	20 years	8 to 20 years
Road	10 years	10 years

Cost of catalyst has been amortized from the date, the same has been issued in the production process in 3 years as against 8 to 20 years defined in Schedule II, so as to expense out the cost over its estimated useful life based on a technical evaluation.

Freehold land is not required to amortize and leasehold land is amortized over the period of lease.

(H) INTANGIBLE ASSETS AND GOODWILL

Separately purchased intangible assets are initially measured at cost. Intangible assets acquired in a business combination are recognised at fair value at the acquisition date. Subsequently, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

The useful lives of intangible assets are assessed as either finite or indefinite. Finite-life intangible assets are amortised on a straight-line basis over the period of their expected useful lives.

Intangible assets comprising of Software are amortised on a straight line basis over its estimated useful life or maximum 5 years, whichever is less.

The amortisation period and the amortisation

method for finite-life intangible assets is reviewed at each financial year end and adjusted prospectively, if appropriate.

Goodwill represents the cost of acquired business as established at the date of acquisition of the business in excess of the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities less accumulated impairment losses, if any.

The Goodwill is not amortised but are tested for impairment annually.

(I) 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 recognized in the Statement of Profit and Loss.

(J) OTHER INCOME

Insurance and other claims are accounted as and when unconditionally admitted by the appropriate authorities. The interest income is recognized on accrual basis and the dividend income on Investments are recognized when the right to receive dividend is established.

(K) INVENTORIES

Inventories are valued at the lower of cost or net realisable value. Cost is computed on a weighted average basis. Cost of finished goods and work-in-progress include all costs of purchases, conversion costs and other costs incurred in bringing the inventories to their present location and condition. The net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and estimated costs necessary to make the sale.

Significant Accounting Policies

(L) BORROWING COST

Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost, except in case of foreign currency borrowing which existed on the date of transition i.e. 1st April, 2016 from previous GAAP to Ind AS wherein Company continues to exercise the option in terms of para 46A inserted in the AS-11 – The Effects of Change in Foreign Exchange Rates. Consequently, the loss/gain of foreign exchange on translation of foreign exchange borrowing continued to be capitalized.

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalized 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.

(M) FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets:

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument.

On initial recognition, a financial asset is recognised at fair value. In case of financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction cost are recognized in the statement of profit and loss. In other cases, the transaction cost are attributed to the acquisition value of the financial asset.

Financial assets are subsequently classified as measured at

Amortised cost

Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the effective interest rate ('EIR') method less impairment, if any. The amortization of EIR and loss arising from impairment, if any is recognized in the Statement of Profit and Loss.

Fair value through profit and loss (FVTPL)

A financial asset not classified as either amortised cost or FVOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, is recognised in the Statement of Profit and Loss.

Fair value through other comprehensive income (FVOCI)

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income.

Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognized in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognized in OCI is reclassified from the equity to the Statement of Profit and Loss.

Financial assets are not reclassified subsequent to their recognition, except if and in the period the Company changes its business model for managing financial assets.

1. Trade Receivables and Loans

Trade receivables are held at realisable

Significant Accounting Policies

value net of any expected credit losses.

2. Debt Instruments

Debt instruments are subsequently measured at amortised cost, fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL') till derecognition on the basis of (i) the entity's business model for managing the financial assets and (ii) the contractual cash flow characteristics of the financial asset.

(a) Measured at amortised cost

Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the effective interest rate ('EIR') method less impairment, if any. The amortisation of EIR and loss arising from impairment, if any is recognised in the Statement of Profit and Loss.

(b) Measured at fair value through other comprehensive income

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously

recognised in OCI is reclassified from the other equity to 'other income' in the Statement of Profit and Loss.

3. Cash and Cash Equivalents

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

4. Measured at fair value through profit or loss

A financial asset not classified as either amortised cost or FVOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'other income' in the Statement of Profit and Loss.

Equity Instruments

All investments in equity instruments classified under financial assets are initially measured at fair value. The Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL.

The Company makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument is recognised as other income in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognised in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss.

Significant Accounting Policies

Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

Impairment of Financial Asset

Expected credit losses are recognized for all financial assets subsequent to initial recognition other than financial assets in FVTPL category.

For financial assets other than trade receivables, as per Ind AS-109, the Company recognises 12 months expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition.

The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. The Company's trade receivables do not contain significant financing component. In determining the allowances for doubtful trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix.

The impairment losses and reversals are recognised in Statement of Profit and Loss.

Financial Liabilities

Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the fair value. In case of trade payables, they are initially recognised at fair value and subsequently, these liabilities are held at amortised cost, using the effective interest method.

Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the EIR method.

Derecognition

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

(N) PROVISIONS AND CONTINGENT LIABILITIES

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The contingent liability is not recognized in books of account but its existence is disclosed in financial statements.

Significant Accounting Policies

(O) REVENUE RECOGNITION

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Ind AS-115 “Revenue from contracts with Customers” provides a control-based revenue recognition model and provides a five step application approach to be followed for revenue recognition.

- A) Identify the contracts with a customer
- B) Identify the performance obligations
- C) Determine the transaction price
- D) Allocate the transaction price to the performance obligations
- E) Recognise revenue when or as an entity satisfies performance obligation

Export incentive

Income from export incentives such as duty drawback and MEIS are recognised on accrual basis.

Service Contract

Income from services rendered is recognised based on agreements/ arrangements with the customers as the service is performed in proportion to the stage of completion of the transaction at the reporting date and the amount of revenue can be measured reliably.

Interest Income

Interest income is recognized on accrual basis.

Dividend Income

Dividend income on investments is recognised when the right to receive dividend is established.

Insurance Claims

Insurance claim receivable is accounted for when amount of claim is finalized by insurance company.

(P) EMPLOYEE BENEFITS

Defined contribution plans

Contributions to defined contribution schemes such as employees’ state insurance, labour welfare fund, superannuation scheme, employee pension scheme etc. are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees.

Company’s provident fund contribution, except certain employee is made to an irrevocable trust set up by the Company and contribution to pension fund deposited with the Regional Provident Fund Commissioner and charged as an expense to the Statement of Profit and Loss. The above benefits are classified as Defined Contribution Schemes as the Company has no further defined obligations beyond the monthly contributions.

Defined benefit plans

In respect of certain employees, provident fund contributions are made to a trust administered by the Company. The interest rate payable to the members of the trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, shall be made good by the Company. The liability in respect of the shortfall of interest earnings of the Fund is determined

Significant Accounting Policies

on the basis of an actuarial valuation. The Company also provides for retirement/post-retirement benefits in the form of gratuity and leave pay.

For defined benefit plans, the amount recognised as 'Employee benefit expenses' in the Statement of Profit and Loss is the cost of accruing employee benefits promised to employees over the year and the costs of individual events such as past/future service benefit changes and settlements (such events are recognised immediately in the Statement of Profit and Loss). The amount of net interest expense calculated by applying the liability discount rate to the net defined benefit liability or asset is charged or credited to 'Employee Benefit Expenses' in the Statement of Profit and Loss. Any differences between the interest income on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised immediately in 'Other comprehensive income' and subsequently not reclassified to the Statement of Profit and Loss.

The defined benefit plan surplus or deficit on the Balance Sheet comprises the total for each plan of the fair value of plan assets less the present value of the defined benefit liabilities (using a discount rate by reference to market yields on government bonds at the end of the reporting period).

All defined benefit plans obligations are determined based on valuations, as at the Balance Sheet date, made by independent actuary using the projected unit credit method. The classification of the Company's net obligation into current and non-current is as per the actuarial valuation report.

Termination benefits

Termination benefits, in the nature of voluntary retirement benefits or termination benefits

arising from restructuring, are recognised in the Statement of Profit and Loss. The Company recognises termination benefits at the earlier of the following dates:

- (a) when the Company can no longer withdraw the offer of those benefits; or
- (b) when the Company recognises costs for a restructuring that is within the scope of Ind AS-37 and involves the payment of termination benefits.

Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

(Q) 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. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

Significant Accounting Policies

(R) INCOME TAXES

Income tax expense for the year comprises of current tax and deferred tax. Tax is recognised in the Statement of Profit and Loss except to the extent it relates to a business combination or to an item which is recognised directly in equity or in other comprehensive income. In which case, the tax is also recognised in other comprehensive income or equity.

Current Tax

Current tax is the expected tax payable/receivable on the taxable income/ loss for the year using applicable tax rates at the Balance Sheet date, and any adjustment to taxes in respect of previous years.

Deferred Tax

Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the corresponding amounts used for tax base purposes.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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 assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

(S) FOREIGN CURRENCIES

The financial statements are presented in INR (₹), the functional currency of the Company. In preparing the financial statement, transactions in currencies other than the entity's functional currencies (foreign currencies) are recognized at the rates of exchange prevailing at the dates of transactions. At the end of each reporting period, monetary items denominated in foreign currencies are restated at the rates prevailing at that date. Non monetary items that are measured in terms of historical cost in a foreign currency are not restated.

Exchange differences on monetary items are recognized in profit or loss in the period in which they arise except for:

Exchange differences on translations or settlement of long term foreign currency monetary items in respect of loans borrowed before 1st April, 2016 at rates different from those at which they were initially recorded or reported in the previous financial statements, in so far as it relates to acquisition of depreciate assets, are adjusted to the cost of the assets and depreciated over remaining useful life of such assets. In other cases of long term foreign currency monetary items, these are accumulated in "Foreign currency monetary item translation difference" by recognition as income or expense in each period over the

Significant Accounting Policies

balance term of such items till settlement occurs but not beyond 31st March, 2022.

Exchange difference on foreign currency borrowing relating to assets under construction for future productive use are included in the cost of those assets to the extent they are regarded as an adjustment to interest cost.

(T) EARNINGS PER SHARE

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity 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 for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

(U) BUSINESS COMBINATION

Business combinations are accounted for using the acquisition accounting method as at the date of the acquisition, which is the date at which control is transferred to the Company. The consideration transferred in the acquisition and the identifiable assets acquired and liabilities assumed are recognised at fair values on their acquisition date. 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 net identifiable assets acquired and

liabilities assumed. The Company recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. Consideration transferred does not include amounts related to settlement of pre-existing relationships. Such amounts are recognised in the Statement of Profit and Loss.

Transaction costs are expensed as incurred, other than those incurred in relation to the issue of debt or equity securities. Any contingent consideration payable is measured at fair value at the acquisition date. Subsequent changes in the fair value of contingent consideration are recognised in the Statement of Profit and Loss.

(V) LEASES

The Company has adopted Ind AS-116 – Leases effective 1st April, 2019 using the modified retrospective method. The Company has applied the standard to its leases with the cumulative impact recognized on the date of initial application (1st April, 2019). Accordingly previous period information has not been restated.

The Company's leased asset classes primarily consist of leases for Buildings. The Company assesses whether a contract is or contains a lease, at inception of contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and

Significant Accounting Policies

(iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset (“ROU”) and a corresponding leases liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and leases of low value assets. For these short term and leases of low value assets, the Company recognizes the lease payments as on operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term or useful life of the underlying

asset.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

A lease liability is remeasured upon the occurrences of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payment have been classified as financing cash flows.

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

1(a) PROPERTY, PLANT AND EQUIPMENT

Particulars	Freehold Land	Leasehold Land	Buildings	Plant & Equipments	Office Equipments	Furniture & Fixtures	Vehicles	Catalyst	Total	Intangible Assets (Computer Software)	Goodwill	Right to Use Assets	Improvement of Right to Use Assets	Capital work-in-progress (Refer Note-2)
Gross Carrying Amount														
At 1 st April, 2021	233.87	4,524.84	4,137.03	106,219.19	479.10	1,024.32	950.69	2,482.82	120,051.86	158.79	201.14	429.74	11.53	13,185.55
Additions	-	-	6.00	6,136.88	54.05	221.50	259.42	1,572.23	8,250.08	0.29	-	-	0.00	4,738.29
Disposal	-	-	(234.31)	(1,366.01)	(246.05)	(311.76)	(11.25)	(603.89)	(2,773.27)	-	-	-	-	(6,124.29)
At 31 st March, 2022	233.87	4,524.84	3,908.72	110,990.06	287.10	934.06	1,198.86	3,451.16	125,528.67	159.08	201.14	429.74	11.53	11,799.55
Accumulated Depreciation														
At 1 st April, 2021	-	357.12	1,620.60	45,613.23	393.68	607.52	401.15	1,283.17	50,276.47	132.55	-	335.02	2.40	-
Depreciation for the year	-	59.05	126.05	3,119.97	33.05	71.06	123.13	804.42	4,336.73	21.10	-	73.27	2.59	-
Disposal	-	-	(31.56)	(1,261.72)	(232.54)	(284.40)	(4.84)	(603.89)	(2,418.95)	-	-	-	-	-
At 31 st March, 2022	-	416.17	1,715.09	47,471.48	194.19	394.18	519.44	1,483.70	52,194.25	153.65	-	408.29	4.99	-
Net Carrying Amount														
At 1 st April, 2021	233.87	4,167.72	2,516.43	60,605.96	85.42	416.80	549.54	1,199.65	69,775.39	26.24	201.14	94.72	9.13	13,185.55
At 31 st March, 2022	233.87	4,108.67	2,193.63	63,518.58	92.91	539.88	679.42	1,967.47	73,334.42	5.43	201.14	21.45	6.54	11,799.55

Notes :

- Buildings include ₹ 250/- for shares issued in favour of the Company having office premises in a co-operative society.
Capital work in progress & Addition to Fixed Assets includes Property, Plant & Equipment under construction ₹ 11,679.61 lakhs (Previous year - ₹ 12,837.13 lakhs), Machinery Spares Stock ₹ 0.90 lakhs (Previous year - ₹ 194.98 lakhs) and preoperative expenses and trial run expenses incurred during the year in the form of Employee Benefits expense of ₹ 157.35 lakhs (Previous year ₹ 396.71 lakhs), Rates & Taxes - ₹ Nil (Previous year ₹ 4.76 lakhs), Interest & Finance Expenses ₹ 18.98 lakhs (Previous Year - ₹ 724.93 lakhs), Insurance Premium ₹ 29.14 lakhs (Previous Year - ₹ 44.48 lakhs), Power, Fuel & Water Charges ₹ 19.66 lakhs (Previous year ₹ 436.02 lakhs), Raw material consumed ₹ 98.41 lakhs (Previous year ₹ 2,807.71 lakhs), Closing stock (₹ 112.41) lakhs (Previous year Nil), Stores and packing material consumed ₹ 5.87 lakhs (Previous year ₹ 41.75 lakhs), Repair & Maintenance ₹ Nil (Previous year ₹ 33.31 lakhs), Selling expenses ₹ Nil (Previous year ₹ 124.72 lakhs), Depreciation Nil (Previous year ₹ 47.71 lakhs) and Miscellaneous Expenses ₹ 273.15 lakhs (Previous Year - ₹ 31.63 lakhs) Less Sale of Finished Goods ₹ Nil (Previous year ₹ 5,066.00 lakhs) and Other operating income ₹ Nil (Previous year 5.62 lakhs).
- Goodwill
The Company tests goodwill annually for impairment
Goodwill was recognised from business combination during the year ended 31st March, 2018 and represents difference of purchase consideration paid & allocation to Identified Assets & Liabilities as per Valuer's Report on acquiring manufacturing unit of Maleic Anhydride. The estimated value-in-use of the Unit is based on the future cash flows using at 2% annual growth rate for periods subsequent to the forecast period of 5 years and discount rate of 17%. An analysis of the sensitivity of the computation to a change in key parameters (operating margin, discount rates and long term average growth rate), based on reasonable assumptions, did not identify any probable scenario in which the recoverable amount of the Unit would decrease below its carrying amount.
- Pursuant to the amendment to the Companies (Accounting Standards) Rules, 2006 by notification dated 29th December 2011 issued by the Ministry of Corporate Affairs and exemption allowed vide D133AA of Ind AS-101 first time adoption of Ind AS, the Company continues to exercise the option in terms of Para 46A inserted in the Standard for long term foreign currency monetary assets and liabilities. Consequently the loss of foreign exchange of ₹ 11.39 lakhs for the year and loss of foreign exchange ₹ 1,180.15 lakhs as on 31st March 2022 has been capitalised.

Notes

to Consolidated Financial Statements for the year ended 31st March, 2022

Additional Disclosure of Capital Work-In-Progress

Capital Work-In-Progress Ageing Schedule: as on 31st March 2022

(₹ in lakhs)

Capital Work In Progress (CWIP)	Amount in CWIP for a period of 31 st March, 2022				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	2,671.77	2,476.86	358.32	6,292.60	11,799.55
Projects temporarily suspended	-	-	-	-	-

Capital Work-In-Progress Ageing Schedule: as on 31st March 2021

(₹ in lakhs)

Capital Work In Progress (CWIP)	Amount in CWIP for a period of 31 st March, 2021				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	5,963.19	929.76	6,292.60	-	13,185.55

1(b) INVESTMENT PROPERTY

Particulars	₹ in lakhs
Building	
Gross Carrying Amount	
At 1 st April, 2021	75.27
Additions	-
Disposal	-
At 31st March, 2022	75.27
Accumulated Depreciation	
At 1 st April, 2021	24.40
Depreciation for the year	1.18
Disposal	-
At 31st March, 2022	25.58
Net Carrying Amount	
At 1 st April, 2021	50.87
At 31st March, 2022	49.69

(₹ in lakhs)

Particulars	Year ended 31 st March, 2022	Year ended 31 st March, 2021
Rental Income	15.29	13.10
Profit from Investment properties before depreciation	15.29	13.10
Depreciation	1.18	1.18
Profit from Investment properties	14.11	11.92

Note: The fair value of investment properties is ₹ 233 lakhs (Previous year ₹ 233 lakhs)

Notes

to Consolidated Financial Statements for the year ended 31st March, 2022

2 | NON-CURRENT INVESTMENTS

(₹ in lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Investment at Cost		
Unquoted		
Investment in Equity Instruments (Fully Paid- up)		
17,610 (Previous year-17,610) shares of ₹ 100 each in Cosmos Co-operative Bank	17.61	17.61
Total Non Current Investment at Cost	17.61	17.61
Investment measured at fair Value through Profit & Loss		
Investment in Mutual Funds		
40,537.392 (Previous year-40,537.392) units of ₹ 10 each in Principal Mutual Fund	13.10	11.48
Investment in Debentures (Fully Paid up)		
5 (Previous year - 5) 7.99% Debentures of L&T Infra Debt Fund Limited of ₹ 10,00,000 each. (Maturity date of above Debentures is 6 th October, 2023)	58.54	53.65
83 (Previous year - NIL) Embassy Property Developments Pvt Ltd (EPDPL) of ₹ 9,54,700 each (Maturity date of above Debentures is 28 th April, 2023)	765.66	-
Total Non Current Investment measured at Fair Value through Profit & Loss	837.30	65.13
Total Non Current Investments	854.91	82.74
Aggregate amount of unquoted Investments	854.91	82.74

3(a) | NON-CURRENT - OTHER FINANCIAL ASSETS

Deposits – Others	31.18	26.23
Loans to Employees	65.02	99.54
Fixed Deposits with Banks with a maturity period of above 12 months	3,763.72	2,039.25
	3,859.92	2,165.02

Notes

to Consolidated Financial Statements for the year ended 31st March, 2022

3(b) OTHER NON-CURRENT ASSETS-SECURITY DEPOSITS

(₹ in lakhs)

Particulars	As at	As at
	31 st March, 2022	31 st March, 2021
Related Party (Refer Note No. 32)	91.50	71.43
Others	94.73	94.73
	186.23	166.16

4 OTHER NON-CURRENT ASSETS

Capital Advances for Purchase of Property, Plant and Equipment	1,598.43	50.61
Other Advances (Deposit with Government Authorities, etc.)	705.50	756.34
	2,303.93	806.95

5 INVENTORIES

(At lower of cost or net realisable value)		
Raw Materials	5,071.44	3,398.56
Raw Material in Transit	2,880.56	2,412.63
Stores and Spares	4,323.16	5,113.96
Work-in-Progress	1,253.16	591.79
Finished Goods	1,681.29	2,867.30
	15,209.61	14,384.24

6 CURRENT INVESTMENTS

Unquoted		
Investment measured at Fair Value through Profit & Loss		
Investment in Mutual Funds		
69,627.438 (Previous year - Nil) Units of ₹ 10 each of Union Balance Advantage Fund	10.38	–
9,99,950 (Previous year - Nil) Units of ₹ 100 each in Alpha Alternatives MSAR LLP	1,004.56	–
499.975 (Previous year - Nil) Units of ₹ 1,00,000 each in ITI Long-Short Equity Fund	486.31	–
9,99,950.002 (Previous year - Nil) Units ₹ 100 each in ICICI Prudential Long Short Fund-Series II	1,012.55	–
4,67,196.142 (Previous year - Nil) Units ₹ 100 each in ICICI Prudential Floating Interest Fund	1,576.01	–
Investment with Portfolio Management Service provider		
Aventus Absolute Return Strategy(PMS)	1,082.88	1,000.00
Investment in Debentures (Fully Paid up)		
50 (Previous year - 50) 8.75% Debentures of Muthooth FinCorp Limited of ₹ 10,00,000 each (Maturity date of above Debentures is 21 st March, 2023)	550.45	500.00
50 (Previous year - NIL) Piramal Enterprises Limited of ₹ 10,00,000 each (Maturity date of above Debentures is 12 th January, 2023)	530.66	–
9,886 (Previous year - NIL) Think & Learn Private Ltd of ₹ 10,000 each (Maturity date of above Debentures is 15 th March, 2023)	1,000.07	–
Total Current Investment	7,253.87	1,500.00
Aggregate amount of unquoted Investments	7,253.87	1,500.00

Notes

to Consolidated Financial Statements for the year ended 31st March, 2022

7 | TRADE RECEIVABLES (Refer Note 44)

(₹ in lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
(a) Considered good - Secured	-	-
(b) Considered good - Unsecured	34,690.69	19,882.94
(c) Significant Increase in Credit risk	-	-
(d) Credit Impaired	(13.91)	(7.98)
	34,676.78	19,874.96

8 | CASH AND CASH EQUIVALENTS

(a) Cash in hand	16.96	9.85
Balance with Scheduled Banks		
In Current Accounts	2,591.26	3,494.34
	2,608.22	3,504.19
(b) Other Bank Balances		
In Fixed Deposits (Held with Scheduled Banks as Margin)	2,327.57	2,001.88
In Deposits with Maturity of less than 12 Months	7,605.39	1,683.48
In Fixed Deposits (Provided to Government Department as Security)	1.23	1.17
In Margin Money Accounts	0.31	0.12
In Unpaid Dividend Account	211.70	164.35
	10,146.20	3,851.00
	12,754.42	7,355.19

9 | CURRENT FINANCIAL ASSETS - LOANS

Loan to Employees	62.54	70.69
	62.54	70.69

10(a) | CURRENT ASSETS - OTHERS FINANCIAL ASSETS

Advances recoverable in cash or kind or for value to be received		
- Considered Good	245.07	34.93
	245.07	34.93

10(b) | OTHERS - CURRENT ASSETS

Prepayment	544.22	401.94
Export Incentive Receivable	144.22	230.56
Advance to Suppliers	278.76	350.66
	967.20	983.16

Notes

to Consolidated Financial Statements for the year ended 31st March, 2022

11 EQUITY SHARE CAPITAL

(₹ in lakhs)

Particulars	As at	As at
	31 st March, 2022	31 st March, 2021
Authorised		
4,00,00,000 (Previous year - 4,00,00,000) Equity shares of ₹ 10/- each	4,000.00	4,000.00
10,00,000 (Previous year- 10,00,000) Preference shares of ₹ 100/- each	1,000.00	1,000.00
	5,000.00	5,000.00
Issued		
3,08,01,350 (Previous year- 3,08,01,350) Equity shares of ₹ 10/- each	3,080.14	3,080.14
Subscribed and Paid up		
3,07,94,850 (Previous year - 3,07,94,850) Equity shares of ₹ 10/- each	3,079.49	3,079.49
Add: Amount paid up on 6,500 shares forfeited	0.32	0.32
	3,079.81	3,079.81

The reconciliation of the number of shares outstanding is set out below

Particulars	No. of Shares	No. of Shares
Equity Shares at the beginning of the year	3,07,94,850	3,07,94,850
Add : Shares Issued during the year	-	-
Equity Shares at the end of the year	3,07,94,850	3,07,94,850

The Details of Shares held by Promoters

Name of the Promoters	As at 31 st March, 2022		As at 31 st March, 2021		% change during the year
	No. of Shares	%	No. of Shares	%	
Gembel Trade Enterprises Pvt. Ltd.	23,80,489	7.73	23,80,489	7.73	-
Kamrup Enterprises Ltd.	33,21,401	10.79	33,21,401	10.79	-
Mysore Petro Chemicals Ltd.	40,75,000	13.23	40,75,000	13.23	-
Savita Investment Company Ltd.	19,33,414	6.28	19,33,414	6.28	-
Shekhavati Investment Corporation Ltd.	31,00,425	10.07	31,00,425	10.07	-
Vincent (India) Ltd.	48,89,927	15.88	48,89,927	15.88	-
Shogun Vinimay (P) Ltd.	3,69,074	1.20	3,69,074	1.20	-
Bihariji Constructions (India) Ltd.	5,50,200	1.79	5,50,200	1.79	-
Kalimpong Produce Co. Ltd	1,200	0.00	1,200	0.00	-
Madan Mohan Dhanuka	1,04,904	0.34	1,04,904	0.34	-
Nikunj Dhanuka	19,000	0.06	19,000	0.06	-
Umang Dhanuka	1,08,612	0.35	1,08,612	0.35	-
Mayank Dhanuka	1,36,288	0.44	1,36,288	0.44	-
Rajkumari Dhanuka	25,900	0.08	25,900	0.08	-
Bina Devi Dhanuka	22,073	0.07	22,073	0.07	-
Amishi Dhanuka	1,000	0.00	1,000	0.00	-
Neha Dhanuka	1,28,235	0.42	1,28,235	0.42	-
	2,11,67,142	68.74	2,11,67,142	68.74	-

There are no other Shareholders holding more than 5%.

Notes

to Consolidated Financial Statements for the year ended 31st March, 2022

12 | OTHER EQUITY

(₹ in lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Capital Reserve		
Balance as per last Balance Sheet	116.25	116.25
Securities Premium Reserve		
Balance as per last Balance Sheet	2,275.00	2,275.00
General Reserve		
Balance as per last Balance Sheet	7,000.00	7,000.00
Foreign Currency Translation reserve on consolidation	550.69	614.70
Retained Earning		
Opening Balance at the beginning of the year	69,222.89	51,027.95
Add : Profit for the year	26,450.32	18,810.84
	95,673.21	69,838.79
Less : Appropriation		
Equity dividend	2,309.61	615.90
	93,363.60	69,222.89
Other Comprehensive Income (OCI)		
As per Last Balance Sheet	(108.90)	(174.11)
Add : Movement in OCI (Net) during the year	(65.14)	65.21
	(174.04)	(108.90)
Total Other Equity	103,131.50	79,119.94

13 | NON-CURRENT FINANCIAL LIABILITIES - BORROWINGS

Secured Loans		
Term Loan in Euro From a Bank	4,018.03	–
External Commercial Borrowing	7,415.43	8,981.60
	11,433.46	8,981.60

- i The Company has availed two External Commercial Borrowings (ECB) which are repayable in 17 equal semi-annual instalments commencing from 29th November, 2019 and 15th September, 2013. The ECB is secured by the first pari-passu charge on the fixed movable assets (other than current assets) and registered mortgage on immovable properties of the Company by way of first pari-passu charge. The ECB whose repayment commenced on 15th September, 2013 has since been repaid in full on 15th September, 2021.
- ii Term Loan from Export Import Bank of India is secured by hypothecation of the Current assets, movable plant machinery and equipment, etc. of the Company and Personal Guarantee of two Directors of the Company. The Loan is repayable in 20 equal quarterly instalments commencing from 1st October, 2024.

Notes

to Consolidated Financial Statements for the year ended 31st March, 2022

14(a) LEASE LIABILITIES

(₹ in lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Right to Use Assets	21.23	33.51
	21.23	33.51

14(b) NON-CURRENT FINANCIAL LIABILITIES

Due to Related Party	–	919.00
	–	919.00

15 LONG TERM PROVISIONS

Provision for Leave Encashment	426.45	386.91
	426.45	386.91

16 DEFERRED TAX LIABILITIES (NET)

Deferred Tax Assets:		
Provision allowed under tax on payment basis	37.17	(21.04)
	37.17	(21.04)
Deferred Tax Liabilities:		
Property, Plant & Equipments	7,811.76	6,922.52
Financial Assets	9.18	20.35
	7,820.94	6,942.87
Net Deferred Tax Liability (Net)	7,783.77	6,963.91
The movement on the deferred Tax account is as under:		
At the beginning of the year	6,963.91	6,290.65
Charge to statement of Profit & Loss (Net)	819.86	673.26
At the end of the year	7,783.77	6,963.91

17 CURRENT FINANCIAL LIABILITIES - BORROWINGS

Secured		
Bank Borrowings	3,562.43	3,611.57
Bill Discounting Facility from Banks	668.41	–
	4,230.84	3,611.57

- i Bank borrowings are secured by first pari passu charge on the whole of the current assets of the Company and second pari passu charge on the movable properties of the Company amongst Working Capital lenders under consortium banking arrangement. The loan is also secured by mortgage of immovable properties of the Company by way of second charge and Personal Guarantee of two Directors of the Company.
- ii Bill discounting Facility is secured by respective book debts & personal Guarantee of two Directors of the Company.
- iii Bank borrowings of ₹ 3,559.99 lakhs (Previous Year ₹ 3,610.00 lakhs) of Subsidiary is secured by mortgage of the property of the Subsidiary.

Notes

to Consolidated Financial Statements for the year ended 31st March, 2022

18(a) CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES (Refer Note 45)

(₹ in lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
(i) MSME	161.78	113.32
(ii) Others	25,038.62	17,625.30
(iii) Disputed dues - MSME	-	-
(iv) Disputed dues - Others	4,298.76	4,354.08
	29,499.16	22,092.70

Dues to parties covered under the Micro, Small and Medium Enterprises as per MSMED Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the Auditor.

18(b) CURRENT FINANCIAL LIABILITIES - OTHERS

Unpaid Dividend (shall be credited to Investor Education and Protection Fund as and when due)	211.69	164.35
Security Deposits	3.50	3.50
Interest Accrued but not due on Loans	33.90	53.84
Book Overdraft	-	57.50
Other Liabilities	1,733.26	1,898.87
	1,982.35	2,178.06

18(c) LEASE LIABILITIES

Right to Use Assets	12.28	88.39
	12.28	88.39

18(d) CURRENT MATURITIES OF LONG TERM SECURED BORROWINGS

External Commercial Borrowing	1,564.89	2,167.84
Due to Related Party	-	1,630.01
	1,564.89	3,797.85

19 OTHER CURRENT LIABILITIES

Advance from Customers	31.90	1.17
Statutory Dues & Taxes payable	1,713.22	1,027.25
	1,745.12	1,028.42

20 SHORT TERM PROVISIONS

Provision for Leave Encashment	86.90	79.72
Provision for Gratuity	119.76	18.78
	206.66	98.50

Notes

to Consolidated Financial Statements for the year ended 31st March, 2022

21 REVENUE FROM OPERATIONS

(₹ in lakhs)

Particulars	Year ended 31 st March, 2022	Year ended 31 st March, 2021
Sale of products		
Finished Goods	1,88,031.70	1,12,113.26
Other Operating Revenues	244.80	248.62
	1,88,276.50	1,12,361.88

22 OTHER INCOME

Interest		
- Bank Deposits	415.98	266.40
- Others	78.79	10.02
Increase in Fair Value of Investment through Profit & Loss	95.77	7.51
Profit on Sale of Investments	63.12	24.86
Dividend Received	1.62	0.49
Rent received	15.29	13.10
Other Non Operating Income	26.82	10.46
	697.39	332.84

23 COST OF RAW MATERIALS CONSUMED

Opening Stock	3,398.56	3,752.94
Add: Purchases (Net)	1,25,005.69	65,870.42
	1,28,404.25	69,623.36
Less: Closing Stock	5,071.44	3,398.56
	1,23,332.81	66,224.80

24 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

Opening Inventories		
Work-in-Progress	591.79	997.16
Finished Goods	2,867.30	1,380.80
Stock under Trial run	112.41	-
Closing Inventories		
Work-in-Progress	1,253.16	591.79
Finished Goods	1,681.29	2,867.30
	637.05	(1,081.13)

25 EMPLOYEE BENEFITS EXPENSE

Salaries, Wages and Bonus	6,428.29	6,007.95
Contribution to Provident and Other Funds	339.32	276.68
Gratuity Expenses	72.30	81.05
Employees Welfare Expenses	674.51	704.11
	7,514.42	7,069.79

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26 FINANCE COST

(₹ in lakhs)

Particulars	Year ended 31 st March, 2022	Year ended 31 st March, 2021
Interest		
– on Term Loans	262.13	431.38
– on Others	498.92	634.96
Bills Discounting and Bank Charges	527.05	389.39
	1,288.10	1,455.73

27 OTHER EXPENSES

Consumption of Stores, Spares and Consumables	402.65	302.62
Consumption of Packing Materials	1,107.12	695.04
Power, Fuel and Water charges	4,179.27	2,495.90
Repairs and Maintenance		
Plant and Equipments	3,005.58	1,760.75
Buildings	103.16	31.12
Others	44.60	26.67
Insurance Premium	642.52	530.77
Rent	18.99	5.68
Rates and Taxes	110.86	85.30
Selling Expenses		
Brokerage and Commission	304.59	220.90
Freight outward	3,480.78	2,645.55
Port charges	122.13	75.07
Other selling expenses	153.96	99.34
Directors' Sitting Fees & Commission	579.81	286.77
Payment to Auditors (Refer Note 27.1)	24.16	18.16
Travelling & Conveyance	710.97	310.68
Legal & Professional fees	461.35	300.82
Foreign Exchange Translation Difference	(427.72)	(218.73)
Communication Cost	26.30	18.32
CSR Expenditure (Refer Note 40)	337.00	302.24
Loss /(Profit) on Sale of Fixed Assets	49.92	1.34
Provision for Doubtful Debtors	5.93	4.12
Miscellaneous Expenses	692.72	290.52
	16,136.65	10,288.95

27.1 PAYMENTS TO AUDITORS

Audit Fees (Including Fee for Limited review)	24.00	18.00
Reimbursement of Expenses	0.16	0.16
	24.16	18.16

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28 | EARNING PER SHARE OF ₹ 10 EACH (EPS)

Particulars	Year ended 31 st March, 2022	Year ended 31 st March, 2021
Profit after tax as per Statement of Profit & Loss	26,450.32	18,810.84
Weighted average No. of Shares in calculating basic and diluted EPS	3,07,94,850	3,07,94,850
Earning per Share		
Basic & Diluted - ₹	85.89	61.08

29 | CAPITAL COMMITMENT

(₹ in lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Estimated amount of contracts remaining to be executed on capital account and not provided for net of advances	13,978.08	474.66

30 | Contingent Liabilities

Contingent Liabilities not provided for		
a. Disputed Excise & Service tax matters		
i) Cases decided in favour of the Company which are taken further in appeal before the appellate authorities by the department (Deposit under Protest ₹ NIL, (Previous year ₹ NIL).	750.87	750.87
ii) Other Matters for which the Company is in appeal. (Deposits paid under protest ₹ 665.35 lakhs (Previous year ₹ 735.53 lakhs)	665.35	735.53
iii) Show Cause Notices received (Deposits paid under protest ₹ 15.55 lakhs (Previous year ₹ 15.55 lakhs)	333.71	333.71
b. Claim against the Company not acknowledged as Debt.	197.08	189.29
c. Income Tax matters under dispute for various years due to additions/disallowances. (Deposit under protest ₹ 707.94 lakhs (Previous year ₹ 707.94 lakhs)	5,910.56	5,984.23
d. Electricity Duty Disputed, writ petition has been filed before the Mumbai High Court through Captive Power Producers Association and stay has been granted.	2,355.51	1,949.58

The Management is confident that the matters will be in favour of the Company as per legal opinions obtained / legal precedents.

Future cash outflows in respect of above items are determinable only on receipt of judgments / decisions pending at various forums/authorities.

- e. The Board at its meeting held on 20th May, 2022 considered and recommended a dividend @ 100% i.e. ₹ 10/- per share of ₹ 10/- each for the financial year 2021-22 amounting to ₹ 3,079.49 lakhs. (Previous Year @75% i.e. ₹ 7.5/- per share taken as deduction under Reserves & Surplus) subject to approval of the members of the Company.

31 | SEGMENT INFORMATION

Primary Business Segment

The Company is exclusively engaged in a single business segment of manufacture and sale of organic chemicals and accordingly this is the only primary reportable segment.

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Geographical Segments

Secondary segmental reporting is based on the geographical location of customer. The geographical segments have been disclosed based on revenues within India (sales to Customers within India) and revenues outside India (sales to customers located outside India). Secondary segment assets and liabilities are based on the location of such asset/liability.

Information about Secondary Geographical Segments

(₹ in lakhs)

Segment Information	Year ended 31 st March, 2022			Year ended 31 st March, 2021		
	India	Outside India	Total	India	Outside India	Total
Revenue	1,68,320.11	19,956.39	1,88,276.50	1,03,092.45	9,269.43	1,12,361.88
Carrying amount of segment assets	1,47,984.34	17,133.18	1,65,117.52	1,17,331.43	15,048.74	1,32,380.17
Carrying amount of segment liabilities	37,657.54	21,248.67	58,906.21	30,499.54	19,680.88	50,180.42
Additions to Property, Plant & Equipment	8,250.37	-	8,250.37	26,455.74	-	26,455.74

32 RELATED PARTY DISCLOSURE

Names of other related parties with whom transactions have taken place during the year

a. Key Management Personnel	Shri Nikunj Dhanuka - Managing Director & CEO Shri J K Saboo - Executive Director Shri M M Dhanuka - Chairman Shri Rajesh Muni - Director Dr. A K A Rathi - Director Dr. Vijayanti Pandit - Director Shri Pramod Bhandari - Chief Financial Officer Shri Sudhir R Singh - Company Secretary
b. Relatives of Key Management Personnel	Shri Mayank Dhanuka – Son of Chairman Shri Umang Dhanuka – Brother of Managing Director & CEO Shri Arpan Dhanuka – Son of Managing Director & CEO Smt. Bina Devi Dhanuka – Spouse of Chairman Smt. Raj Kumari Dhanuka – Mother of Managing Director & CEO Smt. Neha Dhanuka – Daughter in law of Chairman
c. Enterprises Over which Key Management Personnel and their relatives can exercise control	Mysore Petro Chemicals Limited Savita Investment Company Limited

Notes:

- The related party relationships have been determined on the basis of the requirements of the Indian Accounting Standard (Ind AS-24) "Related Party Disclosures" and the same have been relied upon by Auditors.
- The relationships as mentioned above pertain to those related parties with whom transactions have taken place during the year.

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Transactions carried out and year end balances with related parties referred in above, in ordinary course of business are as under:

(₹ in lakhs)

Sr. No.	Nature of Transaction	Related parties referred to in		
		(a) above	(b) above	(c) above
1	Income			
	Sale of Goods (Including Taxes)	-	-	2,346.83
		(-)	(-)	(2,544.66)
	Rent Received (Including Taxes)	-	-	18.04
		(-)	(-)	(15.46)
2	Expenses			
	Remuneration	943.46	305.64	-
		(751.95)	(237.69)	(-)
	Directors Sitting Fees & Commission	579.81	-	-
		(286.77)	(-)	(-)
	Interest	-	-	106.43
		(-)	(-)	(302.72)
	Rent (Including Taxes)	-	6.65	117.01
		(-)	(10.16)	(113.39)
3	Amount Payable at year end			
	Against Purchase of MA Unit	-	-	-
		(-)	(-)	(2,549.01)
4	Amount Receivable at year end			
	Security Deposit	-	2.40	89.10
		(-)	(2.40)	(69.03)

Note: Amount in bracket represents figures for previous year.

Retirement benefits (i.e. gratuity) related to Key managerial personnel are recognised under employee benefits expenses in statement of profit and loss with other employees gratuity cost of the Company based on the actuarial valuation carried out by independent actuary.

33 Employee Benefits

i. General Description of defined benefit plan

The Gratuity scheme is funded with an insurance company in the form of a qualifying insurance policy.

The following tables summarise the components of net benefit expense recognised in the statement of profit and loss account and the funded status and amounts recognized in the balance sheet.

(₹ in lakhs)

Particulars	Gratuity (funded) 31 st March, 2022	Gratuity (funded) 31 st March, 2021
a. Statement of Profit and Loss		
Net employee benefit expense (recognized in Personnel Expenses in Note 25)		
Current service cost	74.94	77.43
Net Interest cost on benefit obligation	(2.64)	3.62
Past service cost	-	-
Net Benefit / Cost	72.30	81.05

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(₹ in lakhs)

Particulars	Gratuity (funded) 31 st March, 2022	Gratuity (funded) 31 st March, 2021
b Net employee benefit expense (recognized in Profit & Loss and other Comprehensive Income)		
Amount recognised in Profit & Loss account	72.30	81.05
Amount recognised in Other Comprehensive Income	87.05	(87.14)
Total Expenses / (Income) Recognized for the year	159.35	(6.09)
c Balance sheet		
Details of Provision for gratuity		
Defined benefit obligation	1,507.50	1,306.28
Fair value of plan assets	1,387.74	1,287.50
Less: Unrecognized past service cost		
Amount Recognised in the Balance Sheet	(119.76)	(18.78)
d Changes in the present value of the defined benefit obligation are as follows:		
Opening defined benefit obligation	1,306.29	1,343.39
Interest cost	88.38	85.40
Current service cost	74.94	77.43
Benefits paid	(43.61)	(111.42)
Actuarial (gains) / losses on obligation	81.50	(88.51)
Past service cost	-	-
Closing defined benefit obligation	1,507.50	1,306.29
e Changes in the fair value of plan assets are as follows:		
Opening fair value of plan assets	1,287.50	1,211.52
Contributions by employer	91.03	81.78
Benefits paid	14.75	(4.43)
Actuarial gains / (losses)	(5.54)	(1.37)
Closing fair value of plan assets	1,387.74	1,287.50
f Maturity Profile of defined benefit obligation		
Within next 12 months (next annual reporting period)	265.62	193.87
Between 2 and 5 years	690.41	521.85
Between 6 and 10 years	813.44	786.03
g Quantitative sensitivity analysis for significant assumption is as below		
Increase / decrease on present value of defined benefits obligation at the end of the year		
One percentage point increase in discount rate	(70.36)	(74.60)
One percentage point decrease in discount rate	77.14	80.25
One percentage point increase in rate of salary	71.41	58.50
One percentage point decrease in rate of salary	(68.69)	(53.53)
h Sensitivity Analysis Method		
Sensitivity analysis is determined based on the expected movement in liability, if the assumptions were not proved to be true on different count		

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(₹ in lakhs)

Particulars	Gratuity (funded)	
	31 st March, 2022	31 st March, 2021
i The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:		
	%	%
Discount rate	7.45	7.07
Expected rate of return on assets	7.45	7.07
Employee turnover	5	5
Salary Escalation	4	4
Mortality	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Retirement Age	60	60

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

34 | Derivative Instruments and Unhedged Foreign Currency Exposure

The Company uses Forward Exchange Contracts to hedge its exposure in foreign currency. The Information on derivative instruments is as follows:

(₹ in lakhs)

Particulars	31 st March, 2022		31 st March, 2021	
	Amount in Foreign currency	₹ in lakhs	Amount in Foreign currency	₹ in lakhs
i. Forward Contracts of sale outstanding as at the balance sheet date				
Forward currency contract - USD	6,807,133	5,160.29	3,963,464	2,913.33
ii. Particulars of Unhedged foreign currency exposure as at the balance sheet date:				
Amount Receivable				
USD	-	-	-	-
Amount Payable				
Advance against Supply - USD	-	-	-	-
Import of Goods - USD	-	-	-	-
Import of Goods - Euro	5,057,058	4,281.30	5,057,058	4,354.08
Loans Payable - USD	-	-	-	-
Loans Payable - Euro	15,836,754	13,407.38	13,608,518	11,716.80
Loans Payable - GBP	3,576,000	3,559.99	3,576,000	3,610.00

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35 | Financial Instruments

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criterion for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note-M of significant accounting policies to the financial statements.

(a) Financial assets and liabilities

The following table Presents carrying amount and fair value of each category of financial assets and liabilities.

(₹ in lakhs)

Particulars	Amortised Cost	Fair Value through Profit and Loss A/c	Total Carrying Value	Total Fair Value (Level 2)	Total Fair Value (Level 3)
As at 31st March, 2022					
Financial Assets					
Trade Receivable	34,676.78	–	34,676.78	34,676.78	–
Investment	17.61	8,091.17	8,108.78	8,108.78	–
Cash and bank	12,754.42	–	12,754.42	12,754.42	–
Other financial assets	4,353.76	–	4,353.76	–	4,353.76
Total	51,802.57	8,091.17	59,893.74	55,539.98	4,353.76
Financial Liabilities					
Borrowings	15,664.30	–	15,664.30	15,664.30	–
Trade Payable	29,499.16	–	29,499.16	29,499.16	–
Other financial Liabilities	3,580.75	–	3,580.75	–	3,580.75
Total	48,744.21	–	48,744.21	45,163.46	3,580.75
As at 31st March, 2021					
Financial Assets					
Trade Receivable	19,874.96	–	19,874.96	19,874.96	–
Investment	17.61	1,565.13	1,582.74	1,582.74	–
Cash and bank	7,355.19	–	7,355.19	7,355.19	–
Other financial assets	2,436.80	–	2,436.80	–	2,436.80
Total	29,684.56	1,565.13	31,249.69	28,812.89	2,436.80
Financial Liabilities					
Borrowings	12,593.17	–	12,593.17	12,593.17	–
Trade Payable	22,092.70	–	22,092.70	22,092.70	–
Other financial Liabilities	7,016.81	–	7,016.81	–	7,016.81
Total	41,702.68	–	41,702.68	34,685.87	7,016.81

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- (b) The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into level 1 to level 3, as described below:

Level-1: Quoted (unadjusted) prices in active markets for identical assets or liabilities

Level-2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level-3: Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

- (c) **Financial Risk Management Policies and objectives:**

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Board.

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables, payables and loans and borrowings.

The Company manages market risk through a treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by Senior Management and the Audit Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures and borrowings.

Interest rate risk

The Company's does not have any significant interest bearing asset however there are certain insignificant interest bearing liability. As such, the Company is not exposed to significant interest rate risk as at the reporting date.

Foreign currency risk

The Company operates internationally and portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through its sales and services in overseas and purchases from overseas suppliers in various foreign currencies.

The Company evaluates exchange rate exposure arising from foreign currency transactions and the Company follows established risk management policies, including the use of derivatives like foreign exchange forward contracts to hedge exposure to foreign currency risk.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company maintains sufficient cash and cash equivalents to manage its liquidity risk.

Credit Risk

Credit risk is the risk that counterparty will default on its contractual obligations resulting in a financial loss to the Company. To manage this, the Company periodically assess the financial reliability of

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customers, taking into account the financial condition, current economic trends, analysis of historical bad debts and agreeing of accounts receivable. Individual risk limit are set accordingly.

Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, investments, derivatives, cash and cash equivalents, bank deposits and other financial assets.

(d) Foreign Currency exposure as at 31st March, 2022

(₹ in lakhs)

Particulars	USD	EUR	GBP	Total
Trade Receivables	5,160.29	–	–	5,160.29
Trade Payable	–	(4,281.30)	–	(4,281.30)
Loan in Foreign Currency	–	(13,407.38)	–	(13,407.38)
Loan in Foreign Currency	–	–	(3,559.99)	(3,559.99)
Net Exposure	5,160.29	(17,688.68)	(3,559.99)	(16,088.38)

Foreign Currency exposure as at 31st March, 2021

Trade Receivables	2,913.33	–	–	2,913.33
Trade Payable	–	(4,354.08)	–	(4,354.08)
Loan in Foreign Currency	–	(11,716.80)	–	(11,716.80)
Loan in Foreign Currency	–	–	(3,610.00)	(3,610.00)
Net Exposure	2,913.33	(16,070.88)	(3,610.00)	(16,767.55)

(e) 1% increase or decrease in foreign currency exchange rates will have the following impact on profit before tax.

(₹ in lakhs)

Particulars	2021-22		2020-21	
	1% Increase	1% Decrease	1% Increase	1% Decrease
USD	51.60	(51.60)	29.13	(29.13)
EUR	(176.88)	176.88	(160.71)	160.71
GBP	(35.60)	35.60	(36.10)	36.10
AED	–	–	–	–
Increase / (Decrease) in Profit	(160.88)	160.88	(167.68)	167.68

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36 | INCOME TAXES (IND AS-12)

(₹ in lakhs)

Particulars	Year ended 31 st March, 2022	Year ended 31 st March, 2021
Income tax recognised in Statement of Profit and Loss		
Current tax	8,359.81	5,780.47
Deferred tax	819.86	673.26
Total Income tax expenses recognised in the current year	9,179.67	6,453.73
The Income tax expenses for the year can be reconciled to the accounting profit as follows:		
Profit before tax	35,851.56	25,405.40
Add: Exceptional Items	-	61.64
Profit before exceptional items & tax	35,851.56	25,467.04
Applicable Tax Rate	25.17%	25.17%
Computed Tax Expense	9,023.12	6,409.54
Tax effect of :		
Income at Concessional rate of Tax	(28.96)	12.85
Expenses disallowed	154.42	32.92
Additional allowances	(788.77)	(674.84)
Current Tax expense	8,359.81	5,780.47
Incremental Deferred Tax Liability on account of Property, Plant & Equipments	810.68	652.91
Incremental Deferred Tax Asset on account of Financial Assets and Other items	9.18	20.35
Deferred tax provision (Net)	819.86	673.26
Tax Expenses recognised in Statement of Profit and Loss	9,179.67	6,453.73
Effective Tax Rate	25.60%	25.34%

37 | BUSINESS COMBINATION

During the year ended 31st March, 2018 the Company had acquired the manufacturing unit of M/s Mysore Petro Chemicals Limited with effect from 1st April, 2017 for a consideration of ₹ 7,448.00 lakhs on slump sale basis, as per the valuation by Haribhakti & Co. LLP. The transaction was accounted under Ind AS-103 "Business Combination" as a business combination with the purchases price being allocated to identifiable assets and liabilities at fair value as determined by an approved valuer.

Following Table present the allocation of purchase price

Particulars	(₹ in lakhs)
Net Tangible Assets	7,246.86
Goodwill	201.14
Total Purchase price	7,448.00

Goodwill arose in the acquisition of above business because the cost of combination included a control premium. In addition, the consideration paid for the combination effectively included amounts in relation to the benefit of

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expected synergies, revenue growth, future market development and assembled workforce of acquired business combination. These benefits are not recognised separately from goodwill as they do not meet the recognised criteria for identifiable intangible assets.

38 RESEARCH & DEVELOPMENT

Research & Development Expenditure of ₹ 75.65 lakhs (Previous Year ₹ 69.96 lakhs) has been accounted for in the respective heads of the Statement of Profit and Loss.

39 The outbreak of corona virus (Covid-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The management has made an assessment of the impact of Covid-19 on the Company's operations, financial performance and position as at 31st March, 2022 and has concluded that there is no material impact which is required to be recognised in the consolidated financial statements. Accordingly, no adjustment have been made to the financial results. However the Company continues to monitor the situation and take appropriate action, as considered necessary.

40 CORPORATE SOCIAL RESPONSIBILITY

(₹ in lakhs)

Particulars	Year ended 31 st March, 2022	Year ended 31 st March, 2021
– amount required to be spent by the Company during the year	314.96	299.49
– amount of expenditure incurred	337.00	302.24
– shortfall at the end of the year	–	–
– total of previous years shortfall	–	–
– reason for shortfall	–	–
– nature of CSR activities	Education, healthcare, livelihood and community services	Education, healthcare, livelihood and community services
– details of related party transactions, e.g., contribution to a trust controlled by the Company in relation to CSR expenditure as per relevant Accounting Standard	–	–
– where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	N.A.	N.A.

41 There was no impairment loss on non-financial assets on the basis of review carried out by the management in accordance with the Indian Accounting Standard (Ind AS -36) “Impairment of Assets”

42 The Company had elected to exercise the option permitted under Section 115 BAA of the Income Tax Act, 1961. Accordingly, the Company has recognised provision for Income Tax from Financial Year 2020-21.

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43 The Code on Social Security, 2020 ('the Code') relating to employee benefits, during the employment and post-employment, has received Presidential assent on 28th September, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on 13th November, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued.

The Company will assess the impact of the Code and will give appropriate impact in the financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact.

44 TRADE RECEIVABLES

(₹ in lakhs)

Particulars	Not Due	Outstanding for following periods from due date of payment as on 31 st March, 2022					TOTAL
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - considered good	29,292.04	5,398.65	-	-	-	-	34,690.69
(ii) Undisputed Trade Receivables - which have significant increase in Credit Risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - Credit Impaired	(11.21)	(2.70)	-	-	-	-	(13.91)
(iv) Disputed Trade Receivables- considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables- Credit Impaired	-	-	-	-	-	-	-
Total	29,280.83	5,395.95	-	-	-	-	34,676.78

Particulars	Not Due	Outstanding for following periods from due date of payment as on 31 st March, 2021					TOTAL
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - considered good	15,369.03	4,513.91	-	-	-	-	19,882.94
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - Credit Impaired	(5.72)	(2.26)	-	-	-	-	(7.98)
(iv) Disputed Trade Receivables- considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables- Credit Impaired	-	-	-	-	-	-	-
Total	15,363.31	4,511.65	-	-	-	-	19,874.96

Notes

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45 | TRADE PAYABLES

(₹ in lakhs)

Particulars	Not Due	Outstanding for following periods from due date of payment as on 31 st March, 2022					TOTAL
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	28.32	133.46	-	-	-	-	161.78
(ii) Others	1,295.47	23,655.63	48.97	18.67	19.88	-	25,038.62
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	4,298.76	4,298.76
Total	1,323.79	23,789.09	48.97	18.67	19.88	4,298.76	29,499.16

Particulars	Not Due	Outstanding for following periods from due date of payment as on 31 st March, 2021					TOTAL
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	61.08	52.24	-	-	-	-	113.32
(ii) Others	987.24	16,556.50	11.12	50.55	0.84	19.05	17,625.30
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	4,354.08	4,354.08
Total	1,048.32	16,608.74	11.12	50.55	0.84	4,373.13	22,092.70

46 | The Company has filed quarterly returns to banks against borrowings on security of Current Assets which are as per books of accounts.

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to Consolidated Financial Statements for the year ended 31st March, 2022

47 FINANCIAL RATIO

Sr. No.	Name of the Ratio	Numerator	Denominator	Ratio		% Variance	Reason for variance >25%
				31 st March, 2022	31 st March, 2021		
1	Current Ratio	Current assets	Current liabilities	1.81	1.34	34.97	Due to higher internal accruals used for working capital and short term Investments
2	Debt- Equity Ratio	Borrowings+Interest Accrued	Total Equity	0.11	0.12	(10.63)	-
3	Debt Service Coverage Ratio	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.	Debt service = Interest & Lease Payments + Principal Repayments	8.69	2.99	190.55	Lower utilisation of borrowings and finance cost thereon
4	Return on Equity Ratio	Net Profits after taxes	Average Shareholder's Equity	28.08%	25.86%	8.57	-
5	Inventory Turnover Ratio	Cost of goods sold OR sales	Average Inventory is (Opening + Closing balance /2)	8.48	5.54	53.16	Optimum utilisation of Inventories
6	Trade Receivable Turnover Ratio	Net Credit Sales	Avg. Accounts Receivable	6.90	6.57	5.08	-
7	Trade Payable Turnover Ratio	Net Credit Purchases	Average Trade Payables	4.85	2.86	69.44	Lower purchases on credit
8	Net Capital Turnover Ratio	Net Sales	Working Capital	5.90	9.94	(40.66)	Higher sales with lower Working Capital
9	Net Profit Ratio	Net profit	Net Sales	14.05%	16.74%	(16.08)	-
10	Return on Capital employed	Earning before interest and taxes	Capital Employed	0.30	0.28	8.50	-
11	Return on Investment	{MV(T1) – MV(T0) – Sum [C(t)]}	{MV(T0) + Sum [W(t) * C(t)]}	7.11%	2.33%	205.15	Better yield during the year

Notes

to Consolidated Financial Statements for the year ended 31st March, 2022

48 | Additional Information as per Part II of Schedule III, of Companies Act, 2013

Name of the Entity	Net Assets		Share of Profit or Loss	
	As % of Consolidated Net Assets	Amount ₹ in lakhs	As % of Consolidated Profit or Loss	Amount ₹ in lakhs
I G Petrochemicals Ltd. - Parent	99.90	1,06,109.00	100.84	26,671.89
IGPL International Ltd. - Subsidiary	0.10	102.31	(0.84)	(221.57)
Total	100.00	1,06,211.31	100.00	26,450.32

Name of the Entity	Share in other Comprehensive Income		Share in total Comprehensive Income	
	As % of Consolidated Comprehensive Income	Amount ₹ in lakhs	As % of Total Comprehensive Income	Amount ₹ in lakhs
I G Petrochemicals Ltd. - Parent	100.00	(65.14)	100.84	26,606.75
IGPL International Ltd. - Subsidiary	0.00	0.00	(0.84)	(221.57)
Total	100.00	(65.14)	100.00	26,385.18

49 | PREVIOUS YEAR COMPARATIVES

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

As per our report of even date
For **Uday & Co.**
Chartered Accountants

For **SMMP & Company**
Chartered Accountants

For and on behalf of the Board of Directors of
I G Petrochemicals Limited

K. Sathanarayanan
Partner
Membership No: 203644
Firm's Registration No.: 004440S
Place: Bengaluru

Chintan Shah
Partner
Membership No: 166729
Firm's Registration No.: 120438W
Place: Mumbai

M M Dhanuka
Chairman
DIN 00193456
Place: Mumbai

Nikunj Dhanuka
Managing Director & CEO
DIN 00193499
Place: London

Rajesh Muni
Independent Director
DIN 00193527
Place: Mumbai

Pramod Bhandari
Chief Financial Officer
Place: Mumbai

Sudhir R Singh
Company Secretary
Place: Mumbai

Date: 20th May, 2022

NOTES

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