



**SUPREME PETROCHEM LTD**

**Annual Report**  
2021-2022

**PERFORMANCE HIGHLIGHTS**

₹ in Lakhs unless indicated otherwise

	<b>2021-2022</b>	2020-2021	2019-2020	2018-2019	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014	2012-2013
	<b>(12 Months)</b>	(12 Months)	(12 Months)	(12 Months)	(12 Months)	(12 Months)	(9 Months)	(12 Months)	(12 Months)	(12 Months)
Net Sales	<b>503230</b>	318517	272425	319381	302661	291862	206805	265254	326430	296716
Other Income	<b>3050</b>	2128	1193	1003	802	749	347	319	586	539
Total Income	<b>506280</b>	320645	273618	320384	303463	292611	207152	265573	327015	297254
Operating Profit (EBIDTA)	<b>93591</b>	69019	16042	10338	20429	30477	10721	9654	9557	16158
Financial Cost	<b>624</b>	727	649	394	460	470	531	1660	2284	2388
Depreciation/Amortisation	<b>4185</b>	3914	3603	2327	2075	2222	1705	2364	2874	2771
Profit Before Tax & Exceptional items	<b>88782</b>	64378	11790	7616	17894	27785	8485	5629	4399	10999
Net Profit	<b>66326</b>	47749	10265	4921	11612	17941	5705	3570	3059	7282
Paid up Equity Capital	<b>3760.83</b>	9402.07	9643.61	9650.20	9650.20	9650.20	9650.20	9650.20	9650.20	9683.86
Reserves and Surplus	<b>147802</b>	97082	57684	54593	54909	48560	31823	27986	26777	25596
Shareholders' Funds (Net Worth)	<b>151563</b>	106484	67328	64243	64559	58210	41473	37636	36427	35280
Deferred Tax Liability (Net)	<b>3441</b>	3569	3743	5233	4874	4787	4796	4848	4924	4872
Loans	-	-	-	-	-	-	-	-	3204	7469
Capital Employed	<b>155004</b>	110053	71070	69476	69433	62997	46269	42485	44555	47621
Avg Capital Employed	<b>132529</b>	90562	70273	69455	66215	54633	44377	43520	46088	48534
Earning Per Equity Share (₹)	<b>70.54</b>	50.63	10.64	5.10	12.03	18.59	5.91	3.70	3.16	7.52
Cash Earning Per Equity Share (₹)	<b>75.00</b>	54.78	14.37	7.51	14.18	20.89	7.68	6.15	6.13	10.38
Book Value (₹)	<b>161</b>	113	70	67	67	60	43	39	38	36
Dividend (%)	<b>*390</b>	150	55	30	45	45	15	15	15	25
ROACE (%) (PBIT/Average capital Employed)	<b>67.46</b>	71.89	17.70	11.53	27.72	51.72	20.32	16.75	14.50	27.58
ROANW (%) (PAT/Average Net Worth)	<b>51.41</b>	54.94	15.60	7.64	18.92	36.00	14.42	9.64	8.53	22.03
Debt : Equity (Total Debt/Total Net Worth)	-	-	-	-	-	-	-	-	0.09	0.21
Total Outside Liabilities/Total Net Worth	<b>0.48</b>	0.61	0.81	0.82	0.93	0.86	1.15	1.21	1.56	1.78

\* Including Final dividend of 350% per equity share of the company subject to approval of shareholders.


**BOARD OF DIRECTORS:**

M. P. Taparia, Chairperson  
 Rajan B. Raheja  
 B. L. Taparia  
 S. J. Taparia  
 M. S. Ramachandran  
 R. Kannan  
 Ms. Ameeta Parpia  
 Dr. S. Sivaram  
 Rajeev M. Pandia  
 K. V. Mujumdar

**REGISTERED OFFICE:**

Solitaire Corporate Park, Building No. 11, 5th Floor,  
 167, Guru Hargovindji Marg, Andheri-Ghatkopar Link Road,  
 Chakala, Andheri (East), Mumbai - 400 093  
 Phone: +91 22 67091900  
 Fax : +91 22 40055681  
 email : investorhelpline@spl.co.in  
 website : www.supremepetrochem.com

**CIN:**

L23200MH1989PLC054633

**PLANTS:**

- (i) Amdoshi, Wakan-Roha Road, Post: Patansai, Nagothane,  
 Taluka Roha, Dist. Raigad, Maharashtra - 402 106.
- (ii) Ammulavoyil Village, Andarkuppam Post,  
 Manali New Town, Chennai, Tamil Nadu - 600 103.

**BANKERS:**

ICICI Bank Ltd.  
 AXIS Bank Ltd.  
 Bank of Baroda  
 IndusInd Bank  
 IDBI Bank Ltd.  
 Kotak Mahindra Bank Ltd.  
 Standard Chartered Bank  
 The Hongkong & Shanghai Banking Corporation Ltd.

**AUDITORS:**

M/s G. M. Kapadia & Co.  
 Chartered Accountants

**REGISTRARS & SHARE TRANSFER AGENT (RTA): \***

**KFin Technologies Limited,**  
 Selenium Tower B, Plot No. 31 & 32,  
 Financial District, Nanakramguda,  
 Serilingampally Mandal,  
 HYDERABAD - 500 032, TELANGANA.

**C O N T E N T S**

Notice	1
Board's Report	11
Management Discussion and Analysis	28
Corporate Governance Report	33
Business Responsibility and Sustainability Report	55
Independent Auditor's Report	94
Balance Sheet	102
Statement of Profit & Loss	104
Statement of Changes in Equity	105
Cash Flow Statement	106
Notes to Financial Statements	108

\* Name of KFin Technologies Pvt Limited changed to KFin Technologies Limited w.e.f. February 24, 2022

---



---



---



**SUPREME PETROCHEM LTD**



## NOTICE

NOTICE is hereby given that the Thirty Third Annual General Meeting of SUPREME PETROCHEM LTD will be held on Tuesday, August 02, 2022 at 4.00 p.m. IST through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact, the following items of business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statement of the Company for the financial year ended March 31, 2022, together with the Report of the Board of Directors and Auditors thereon.
2. To confirm the Interim Dividend of ₹ 4.00 per share paid on Equity Shares of the Company in November 2021 and to declare final dividend on the Equity Shares of the Company for the financial year ended March 31, 2022.

### SPECIAL BUSINESS:

3. **Approval for re-appointment of Shri M. P. Taparia as a Non-Executive, Non-Independent / Promoter Director of the Company:**

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT consent of the members be and is hereby accorded, pursuant to the provisions of Section 152(6) of the Companies Act, 2013, for re-appointment of Shri M. P. Taparia (DIN: 00112461), who retires by rotation and being eligible offers himself for re-appointment, as a Non-Executive, Non-Independent / Promoter Director of the Company, subject to retirement by rotation.

RESOLVED FURTHER THAT pursuant to the provisions of Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, consent of the members be and is hereby also accorded for continuance of Shri M. P. Taparia, who has attained the age of 75 years, as a Director of the Company as long as he continues in the same capacity.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution".

4. **Approval for re-appointment of Shri S. J. Taparia as a Non-Executive, Non-Independent Director of the Company:**

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT consent of the members be and is hereby accorded, pursuant to the provisions of Section 152(6) of the Companies Act, 2013, for re-appointment of Shri S. J. Taparia (DIN: 00112513), who retires by rotation and being eligible offers himself for re-appointment, as a Non-Executive, Non-Independent Director of the Company, subject to retirement by rotation.

RESOLVED FURTHER THAT pursuant to the provisions of Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, consent of the members be and is hereby also accorded for continuance of Shri S. J. Taparia, who has attained the age of 75 years, as a Director of the Company as long as he continues in the same capacity.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution".

5. **Ratification of remuneration of the Cost Auditors:**

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any amendment(s), statutory modification(s) or re-enactment(s) thereof for the time being in force), the annual remuneration of ₹ 4,40,000/- (Rupees Four Lakhs Forty Thousand Only) plus out of pocket expenses & GST to M/s. Kishore Bhatia & Associates, (Firm Registration No.00294) - Cost Accountants as fixed by the Board of Directors for appointing them as Cost Auditors of the Company for the Financial Year 2022-2023 to conduct audit of its cost accounting records, as prescribed under the Companies (Cost Records & Audit) Rules, 2014, as amended, be and is hereby ratified and confirmed.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution".

By Order of the Board of Directors  
For **Supreme Petrochem Ltd**

**Rajan B. Raheja**  
Director

### Registered Office:

Solitaire Corporate Park, Building No. 11,  
5th Floor, 167, Guru Hargovindji Marg,  
Andheri-Ghatkopar Link Road,  
Chakala, Andheri (East), Mumbai - 400 093  
Phone : +91 22 67091900; Fax : +91 22 40055681  
email : investorhelpline@spl.co.in  
website : www.supremepetrochem.com

CIN L23200MH1989PLC054633

Date: June 04, 2022

Place: Mumbai



## NOTES

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its General Circular No. 02/2022 dated May 5, 2022 read with other General Circulars viz. Circular No. 20/2020 dated May 5, 2020, Circular No. 02/2021 dated January 13, 2021, Circular No. 19/2021 dated December 8, 2021 and Circular No. 21/2021 dated December 14, 2021 (collectively referred to as “MCA Circulars”) and SEBI Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 have granted certain relaxations and thus permitted the holding of Annual General Meeting(s) (“AGM”) of the companies upto December 31, 2022 through VC/OAVM viz. without the physical presence of the Members at a common venue. Hence in compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and MCA /SEBI Circulars, as applicable, the AGM of the Company is being held through VC / OAVM (viz. e-AGM).
2. The Deemed Venue of the 33rd AGM of the Company shall be its Registered Office.
3. Since the AGM will be held through VC / OAVM (viz. e-AGM), the Route Map for venue of AGM is not annexed to the Notice.
4. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum of the AGM under Section 103 of the Act.
5. In compliance with the aforesaid MCA Circular dated May 5, 2022 and SEBI Circular dated May 13, 2022. Notice of the AGM along with Annual Report (comprising Financial Statement) for the Financial Year 2021-2022 is being sent only through electronic mode to those Members whose email address(es) are registered with the Company/ Depositories/R&T Agent. Members may note that the Notice and Annual Report for Financial Year 2021-2022 will also be available on the Company's website [www.supremepetrochem.com](http://www.supremepetrochem.com), websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and on the website of R&T Agent of the Company viz. KFin Technologies Limited (KFin) at <https://evoting.kfintech.com> and the same can be downloaded by the Member(s) wishing for Annual Report of the Company and/or AGM Notice.  
  
Alternatively, Member may send signed copy of the request letter providing the e-mail address, mobile number, self-attested PAN copy, DP ID (in case of electronic mode shares), folio No (in case of physical mode shares) via e-mail at the Email Id – [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) for obtaining the Annual Report and Notice of AGM of the Company electronically.
6. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote through e-voting and at the AGM, as the case may be.
7. To avoid fraudulent transaction(s), the identity / signature of the Members holding shares in electronic / demat form is verified with the specimen signatures furnished by NSDL / CDSL and members holding shares in physical form is verified as per the records of the R&T Agent of the Company. Members are requested to keep the same updated.
8. Pursuant to the provisions of the Act and other applicable Regulations, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on their behalf and the proxy need not be a Member of the Company. However, since this AGM is being held pursuant to the MCA / SEBI Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to the Notice.
9. Corporate/institutional Members (i.e. other than individuals, HUF, NRI, etc.) are required to send a scanned copy (PDF/ JPG format) of the relevant Board Resolution / Authority Letter / Power of Attorney etc. together with attested specimen signature of the duly authorised signatory(ies) who is / are authorised to vote, to the Scrutinizer through e-mail at [supreme.scrutiniser@gmail.com](mailto:supreme.scrutiniser@gmail.com) and may also upload the same in the e-voting module in their login. The scanned image of the above documents should be in the naming format ‘SPL\_EVENT No.’
10. The facility of joining the AGM through VC / OAVM will be opened 15 minutes before and will remain open upto 15 minutes after the scheduled start time of the AGM, i.e. from 3.45 p.m. to 4.15 p.m. and will be available for 1000 members on a first-come first-serve basis. This rule would however not apply for participation in respect of large Shareholders (Shareholders holding 2% or more shares of the Company), Promoters, Institutional Investors, Auditors, Key Managerial Personnel and the Directors of the Company including Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee.
11. Members holding physical shares are requested to notify change in their address, if any, immediately to the R&T Agent of the Company for proper and timely reach of communication(s) being made by the Company from time to time.
12. To receive faster communication(s) being made from time to time by Company including Annual Reports and Notices etc. by KFin the Members having dematted shares are requested to register / update their e-mail address, Telephone Number / Mobile Number with their respective Depository Participants (DPs) where they hold their shares in electronic form. However, if shares are held by

members in physical form, Members are advised to register their e-mail address with R&T Agent of the Company by clicking on the link <https://karisma.kfintech.com/emailreg> and following instructions thereof. Members are requested to support the green initiative efforts of the Company.

13. For ease of conduct, Members who would like to ask questions/express their views on the items of the businesses to be transacted at the AGM can send their questions / comments in advance by visiting URL <https://emeetings.kfintech.com> and clicking on the tab 'Post your Queries' during the period starting from Monday, July 25, 2022 (9.00 a.m. IST) to Thursday, July 28, 2022 (5.00 p.m. IST) mentioning their name, demat account no. / Folio no., Email Id, mobile number etc. The queries so raised must also be mailed at [investorhelpline@spl.co.in](mailto:investorhelpline@spl.co.in). The queries should be precise and in brief to enable the Company to answer the same suitably depending on the availability of time at the meeting.
14. The Company has been maintaining, inter alia, the following statutory registers at its Registered Office - Andheri (East), Mumbai:
  - i. Register of contracts or arrangements in which directors are interested under Section 189 of the Act.
  - ii. Register of Directors and Key Managerial Personnel and their shareholding under Section 170 of the Act.

In accordance with the MCA circulars, the said registers shall be made accessible during the AGM for inspection, through electronic mode and the Shareholders can view the statutory registers of the Company after log in to <https://emeetings.kfintech.com> and clicking the button appearing next to the Thumb symbol.

15. The Members approved the appointment of M/s. G M Kapadia & Co. Chartered Accountants (FRN104767W) as Statutory Auditors of the Company, in their Annual General Meeting held on July 18, 2018, to hold office from conclusion of 29th Annual General Meeting of the Company to the conclusion of its 34th Annual General Meeting to be held in calendar year 2023. Since the requirement of ratification of appointment of Statutory Auditors every year by the Members of Company has been dispensed with w.e.f. May 7, 2018 vide Companies (Amendment) Act, 2017, no resolution is being proposed for ratification of appointment of Statutory Auditors at the AGM.
16. Pursuant to the requirement of Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and respective provisions of Secretarial Standard-2, the brief profile / particulars of the Directors of the Company seeking their appointment or re-appointment at the Annual General Meeting (AGM) is annexed hereto.
17. The Explanatory Statement pursuant to Section 102 of the Companies Act 2013 ('Act') setting out details/material

facts relating to the proposed special business(es) under Item Nos. 3 to 5 of the Notice is annexed hereto.

18. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from June 08, 2018, except in case of request received for transmission or transposition of securities as per SEBI directives, physical share(s) folios will be frozen also w.e.f. April 1, 2025. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their share holdings into dematerialized form. Members can contact the Company or its R&T Agent KFin for assistance in this regard.
19. In terms of circulars/regulations issued by SEBI, it is now mandatory to furnish a copy of PAN Card to the Company or its R&T Agent in case of transactions related to transfer of shares, deletion of name, transmission of shares and transposition of shares, hence members are requested to furnish copy of their PAN Card while proceeding for such transactions.
20. Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of such folios and send the relevant Share Certificates to the R&T Agent of the Company for enabling them to consolidate the shares in accordance with due process thereof.
21. Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, July 26, 2022 to Tuesday, August 2, 2022 (both days inclusive), for the purpose of AGM and for determining the name of members eligible for dividend on equity shares, if declared at AGM. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13 which can be downloaded from the Company website [www.supremepetrochem.com](http://www.supremepetrochem.com). Members are requested to submit the said details to their DP, in case the shares are held by them in electronic form and to the Company's R&T Agent, KFin, in case the shares are held in physical form by sending an email to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com).
22. SEBI Listing Regulations have mandated the Companies to credit the dividends electronically to the Members' Bank account. Members who hold shares in electronic / dematerialized form should inform their Depository Participant (DP) and those Members holding shares in physical form should inform to the Company or its R&T Agent, their bank details viz. Bank Account Number, Name of the Bank and Branch details, IFSC Code and MICR Code to enable the Company to incorporate the same for dividend payments. Those Members who have already provided their bank details but if there is any change therein, they should also update the same instantly in the



manner as aforesaid. The dividend warrants for those members who fail to update their bank details will be posted subject to the normal functioning of the postal services, considering the ongoing COVID-19 Pandemic situation.

23. Members holding shares in electronic form may please note that their bank details as furnished by the respective Depositories or KFin (RTA) to the Company will be printed on their dividend instruments as per the applicable regulations and the Company will not entertain any direct request from such Members for deletion / change in such bank details. Members may, therefore, give instructions regarding bank accounts in which they wish to receive the dividend, directly to their Depository Participants or KFin, or to the Company, as the case may be.
24. If the final dividend, as recommended by the Board of Directors, is approved at the AGM, payment of such dividend will be made on or after Saturday, August 20, 2022 to all the shareholders holds shares of the Company as at the close of business hours on Monday, July, 25, 2022 (for demat and physical shareholders both).
25. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates as applicable to various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments made therein from time to time and/or consult with their tax advisor. However, some features of tax provisions applicable on dividend distribution are stated as hereunder for a quick reference/general awareness of the Members .

For Resident Shareholders, tax shall be deducted at source under Section 194 of the Income Tax Act, 1961 at 10% on the amount of Dividend declared and paid by the Company during financial year 2022-23 provided PAN is provided by the shareholder. If PAN is not submitted, TDS would be deducted @ 20% as per Section 206AA of the Income Tax Act, 1961.

However, no TDS shall be deducted on the dividend payable to a resident Individual if the total dividend to be received by them during Financial Year 2022-2023 does not exceed ₹ 5,000/-. Please note that this includes the previous dividend(s) paid, if any, and future dividend(s) which may be paid, during the Financial Year 2022-2023, if declared.

In cases where the shareholder provides Form 15G (applicable to any person other than a Company or a Firm) / Form 15H (applicable to an Individual above the age of 60 years), provided that the eligibility conditions are being met, no tax at source shall be deducted.

Apart from the above, since the TDS/ Withholding rates are different for resident and non-resident shareholders, members are requested to confirm their residential status as per the provisions of the Income Tax Act 1961, by

sending an email at [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) with copy to [spldividend@spl.co.in](mailto:spldividend@spl.co.in)

Post payment of the Dividend amount, Company may email the soft copy of TDS certificate of the Members at their registered email ID, if demanded by the shareholder, and in remaining cases where no email ID of Member is registered, TDS certificates may be posted to the Member(s) address recorded with the Company when demanded by the Member(s).

In view of above provisions, the shareholders are requested to update their PAN with the Company/R&T Agent (in case shares held in physical mode) and with the depositories (in case of shares held in demat mode). A Resident individual shareholder with PAN but not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H in the aforesaid manner, to avail the benefit of non-deduction of tax at source, by sending email to [spldividend@spl.co.in](mailto:spldividend@spl.co.in) upto 5.00 p.m. (IST) on Monday, August 1, 2022 copy to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com).

Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F or any other document which may be required to avail the tax treaty benefits under the provisions of Income Tax Act, 1961, by sending an email to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) with copy to [spldividend@spl.co.in](mailto:spldividend@spl.co.in) upto 5.00 p.m. (IST) on Monday, August 1, 2022.

26. Shareholders who have not yet en-cashed their dividend warrant(s) for the financial year 2014-2015 and / or any subsequent financial years, are requested to submit their claim to the R&T Agent of the Company immediately to avoid transferring of their unpaid dividend amount to IEPF A/c.

Members are further requested to note that pursuant to the provisions of Section 124 and 125 of Companies Act, 2013, the dividends if not en-cashed for a period of 7 years consecutively from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund (IEPF) and the shares in respect of which dividends remain unclaimed for seven consecutive years are also liable to be transferred to the demat account of the IEPF Authority and no claim with the Company shall lie in respect thereof. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends / shares have been transferred to IEPF, may claim the same by making an application to the IEPF Authority in Form IEPF-5 available on [www.iepf.gov.in](http://www.iepf.gov.in). With respect to procedure for making claim from IEPF, please refer to Corporate Governance Report separately annexed and forming part of the Annual Report.

The Company has uploaded the information in respect of unclaimed dividends on the website of the Company



www.supremepetrochem.com for ready reference of the members.

27. Information and Instructions for e-voting and joining the e-AGM of the Company are as follows:

- i. Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), Company is pleased to provide to its Members, facility to exercise their right to vote on resolutions proposed to be passed at the AGM by electronic means. The Members may cast their votes using electronic voting system from any place (viz. ‘remote e-voting’). The Company has engaged the services of Kfin Technologies Limited (“Kfin”) as the Agency to provide e-voting facility to the Members.
- ii. The Board of Directors of the Company has appointed Shri P. N. Parikh (FCS 327) or failing him Shri Mitesh Dhaliwala (FCS 8331) or failing him Ms. Sarvari Shah (FCS9697) of Parikh & Associates, Practicing Company Secretaries as Scrutinizer to scrutinize the voting during the AGM and remote e-voting process in a fair and transparent manner and they have communicated their willingness to be appointed and will be available for the said purpose.
- iii. Voting right of the Members shall be reckoned in proportion to their shares held in the paid-up equity share capital of the Company as on Tuesday, July 26, 2022 (the “Cut- off date”). Person who is not a member as on the cut-off date should treat the Notice for information purpose only.
- iv. A person, whose name is recorded in the Register of Members or in the register of beneficial owners maintained by the depositories (viz. CDSL / NSDL) as on the cut-off date i.e. Tuesday, July 26, 2022 only shall be entitled to avail the facility of remote e-voting for the resolutions placed in the AGM. Those Members, who will be present in the AGM through VC / OAVM facility and have not cast 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 during the AGM.
- v. The Members who have cast their vote by remote e-voting prior to the AGM may also attend / participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.
- vi. The remote e-voting facility will be available during the following period:  
  
Commencement of remote e-voting : From 9.00 a.m. (IST) on Friday, July 29, 2022.

End of remote e-voting : At 5.00 p.m. (IST) on Monday, August 1, 2022.

The remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled / blocked thereafter by the e-voting service providers. Once the vote on a resolution is cast by the Member(s), they shall not be allowed to change it subsequently or cast the vote again.

- vii The remote e-voting process, in relation to the resolutions proposed at the AGM of the Company has been segregated into 3 parts which is mentioned as hereunder:
  - (A) E-Voting in case of Physical Shareholders & Non-Individual Shareholders (Physical / Demat)
  - (B) E-Voting in case of Individual Shareholders having shares in electronic / demat mode
  - (C) E-Voting in case of attending AGM and voting thereat.

**INSTRUCTION FOR REMOTE E-VOTING**

- (A) In case of Physical Shareholders & Non-Individual Shareholders (Physical / Demat) :
  - a. Initial password is provided in the body of the e-mail.
  - b. Launch internet browser and type the URL: <https://evoting.kfintech.com> in the address bar.
  - c. Enter the log in credentials i.e. User ID and password mentioned in your e-mail. Your Folio No. / DP ID Client ID will be your User ID. However, if you are already registered with KFin for e-voting, you can use your existing User ID and password for casting your votes.
  - d. After entering the details appropriately, click on LOGIN.
  - e. You will reach the password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$,etc.). It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  - f. You need to login again with the new credentials.
  - g. On successful login, the system will prompt you to select the EVENT. Select Supreme Petrochem Limited.
  - h. On the voting page, the number of shares (which represents the number of votes) held by you as on the cut-off date for e-voting will appear. If you desire to cast all the votes assenting / dissenting to the resolution, enter all shares and click ‘FOR’ / ‘AGAINST’ as the case may be or partially in ‘FOR’ and partially in ‘AGAINST’, but the total number in



‘FOR’ and / or ‘AGAINST’ taken together should not exceed your total shareholding as on the cut-off date. You may also choose the option ‘ABSTAIN’ and the shares held will not be counted under either head.

- i. Members holding multiple folios / demat accounts shall choose the voting process separately for each folio / demat account.
- j. Cast your votes by selecting an appropriate option and click on ‘SUBMIT’. A confirmation box will be displayed. Click ‘OK’ to confirm else ‘CANCEL’ to modify. Once you confirm, you will not be allowed to modify your vote subsequently. During the voting period, you can log in multiple times till you are confirmed that you have voted on the resolution.
- k. In case of any queries / grievances, you may refer the Frequently Asked Questions (FAQs) for Members and e-voting User Manual available at the ‘download’ section of <https://evoting.kfintech.com> or call KFin Technologies Ltd. on 1800 309 4001 (toll free).
- l. Any person who becomes a Member of the Company after sending the Notice of the meeting but on or before the cut-off date viz. Tuesday, July 26, 2022 may obtain the USER ID and Password for e-voting in the following manner or may write an email on [einward.ris@kfintech.com](mailto:ris@kfintech.com) for obtaining support in this regard.
  - a. If the mobile number of the Member is registered against Folio No. / DP ID Client ID, the Member may send SMS : MYEPWD <space> E-Voting Event number+ Folio No. (in case of physical shareholders) or DP ID Client ID (in case of Dematted shareholders) to 9212993399.

Example for NSDL	MYEPWD <SPACE> IN12345612345678
Example for CDSL	MYEPWD <SPACE> 1402345612345678
Example for Physical	MYEPWD <SPACE> XXX1234567890

- b. If e-mail address or mobile number of the Member is registered against Folio No./ DP ID Client ID, then on the home page of <https://evoting.kfintech.com>, the Member may click “forgot password” and enter Folio No. or DP ID Client ID and PAN to generate a password.
- c. Member may call KFin toll free number 1-800-3094-001 for all e-voting related matters.
- d. Member may send an e-mail request to [einward.ris@kfintech.com](mailto:ris@kfintech.com) for support related to e-voting matter.

(B) In case of Individual Shareholders having shares in electronic / demat mode:

Such shareholder(s) may also refer the e-voting process mandated for them vide SEBI circular dated 9th December, 2020 and should follow the process for remote e-voting as stated hereunder:

**Login method for e-voting:**

As per the SEBI circular dated December 9, 2020 on e-voting facility provided by Listed Companies, Individual shareholders holding securities in Demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility. The remote e-voting process of the Depositories viz NSDL and CDSL are different which are stated below to facilitate the members.

NSDL	CDSL
<p><b>1. User already registered for IDEAS facility: **</b></p> <p>I. URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a></p> <p>II. Click on the “Beneficial Owner” icon under ‘IDEAS’ section.</p> <p>III. On the new page, enter existing User ID and Password. Post successful authentication, click on “Access to e-Voting”</p> <p>IV. Click on company name or e-Voting service provider and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period.</p>	<p><b>1. Existing user who have opted for Easi / Easiest **</b></p> <p>I. URL: <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a></p> <p>II. Click on New System Myeasi</p> <p>III. Login with user id and password.</p> <p>IV. Option will be made available to reach e-Voting page without any further authentication.</p> <p>V. Click on e-Voting service provider name to cast your vote.</p>
<p><b>2. User not registered for IDEAS e-Services</b></p> <p>I. To register click on link: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> (Select “Register Online for IDEAS”) or <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>II. Proceed with completing the required fields.</p> <p>** (Post registration is completed, follow the process as stated in point no. 1 above)</p>	<p><b>2. User not registered for Easi/ Easiest</b></p> <p>I. Option to register is available at : <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></p> <p>II. Proceed with completing the required fields.</p> <p>** (Post registration is completed, follow the process as stated in point no. 1 above)</p>
<p><b>3. First time users can visit the e-Voting website directly and follow the process below:</b></p> <p>I. URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a></p> <p>II. Click on the icon “Login” which is available under ‘Shareholder/ Member’ section.</p> <p>III. Enter User ID (i.e. 16-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.</p> <p>IV. Post successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page.</p> <p>V. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</p>	<p><b>First time users can visit the e-Voting website directly and follow the process below:</b></p> <p>I. URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a></p> <p>II. Provide demat Account Number and PAN No.</p> <p>III. System will authenticate user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account.</p> <p>IV. After successful authentication, user will be provided links for the respective ESP where the e- Voting is in progress.</p> <p>V. Click on company name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</p>

Individual Shareholders (holding securities in demat/ electronic mode) can also login through their Depository Participants (DPs) as per following process.

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. Click on e-Voting option and you will be redirected to NSDL / CDSL Depository site after successful authentication. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider (ESP) website for casting your vote during the remote e-Voting period.

**Important note:**

Members who are unable to retrieve User ID / Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

Members facing any technical issue – NSDL	Members facing any technical issue – CDSL
Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:evoting@cdslindia.com">evoting@cdslindia.com</a> or contact at 022- 23058738 or 22-23058542-43.

(C) E-Voting in case of attending AGM and voting thereat:

**Attending of AGM**

- a) Members will be able to attend the AGM through VC / OAVM facility provided by KFin at <https://emeetings.kfintech.com> by clicking on the tab 'video conference' and using their remote e-voting login credentials as provided by Kfintech. The link for AGM will be available in Member's login where the EVENT and the name of the Company can be selected. Member's who do not have User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the instructions mentioned hereinabove vide para 27(vii)(i)(l) of this notice.
- b) Members are encouraged to join the meeting through Laptops with Google Chrome for better experience.
- c) Further, members will be required to allow camera, if any, and hence use internet with a good speed to avoid any disturbance / glitch / garbling etc. during the meeting.
- d) While all efforts would be made to make the VC/ OAVM meeting smooth, participants connecting through mobile devices, tablets, laptops etc. may at times experience audio/video loss due to fluctuation in their respective networks. Use of a stable Wi-Fi or LAN connection can mitigate some of the technical glitches.
- e) Members, who would like to express their views or ask questions during the AGM will have to register themselves as a speaker by visiting the URL <https://emeetings.kfintech.com> and clicking on the tab 'Speaker Registration' and mentioning their registered e-mail id, mobile number and city, during the period starting from Wednesday, July 27, 2022 (9.00 a.m. IST) to Friday, July 29, 2022 (5.00 p.m. IST). Only those members who have registered themselves as a speaker will be allowed to express their views/ask questions during the e-AGM and the maximum time per speaker will be restricted to 3 minutes.

Members who want to get their pre-recorded video uploaded for display during the AGM of the Company, can also upload the same by visiting <https://emeetings.kfintech.com> and uploading of their video in the 'Speaker Registration' tab, during from Wednesday, July 27, 2022 (9.00 a.m. IST) to Friday, July 29, 2022 (5.00 p.m. IST), subject to the condition that size of such video should be less than 50 MB.

The Company reserves the right to restrict the number of speakers and display of videos uploaded by the Members depending on the availability of time for the AGM. Please note that questions of only those Members will be entertained/considered who are holding shares of Company as on the cut-off date viz Tuesday, July 26, 2022.

A video guide assisting the members attending AGM either as a speaker or participant is available for quick reference at URL <https://cruat04.kfintech.com/emeetings/video/howitworks.aspx>

- f) A video guide assisting the members attending AGM either as a speaker or participant is available for quick reference at URL <https://cruat04.kfintech.com/emeetings/video/howitworks.aspx>
- g) Members who need technical or other assistance before or during the AGM can contact KFin by sending email at [emeetings@kfintech.com](mailto:emeetings@kfintech.com) or Helpline: 1800 309 4001 (toll free). For any other kind of support / assistance related to the AGM, members can also contact: Shri Finian Lopez at phone number 098200-74324 or may write to [investorhelpline@spl.co.in](mailto:investorhelpline@spl.co.in).
- h) Due to limitations of transmission and coordination during the Q&A session, the Company may dispense with the speaker registration during the AGM conference.

**Voting at AGM (INSTAPOLL)**

- a. Only those members / shareholders who hold shares as on the cut off date viz. Tuesday, July 26, 2022 and who have not cast their vote earlier through remote e-voting are eligible to vote through e-voting during the AGM.
- b. Members who have voted through remote e-voting will be eligible to attend the AGM.
- c. Members attending the AGM shall be counted for the purpose of reckoning the quorum of AGM under Section 103 of the Companies Act, 2013.
- d. Upon declaration by the Chairperson about the commencement of e-voting at AGM, Members shall



click on the “Vote” sign on the left-hand bottom corner of their video screen for voting at the AGM, which will take them to the 'Instapoll' page.

- e. Members to click on the “Instapoll” icon to reach the resolution page and follow the given instructions to vote on the resolutions.
- f. The electronic voting system for e-voting at AGM, as provided by KFIN Technologies Limited, shall be available for 30 minutes from the time of commencement of voting declared by the Chairperson at the AGM.

**General Information:**

- i. The Scrutiniser shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the meeting, thereafter unlock the votes cast through remote e-voting and make a consolidated Scrutiniser’s report of the total votes cast in favour or against, if any, and submit the report to the Chairperson of the Company or any person authorized in that respect within 2 working days of the conclusion of the AGM, who shall countersign the same and thereafter results of the voting will be declared. The results declared along with the scrutiniser’s report shall be placed on the Company’s website at [www.supremepetrochem.com](http://www.supremepetrochem.com) and on the website of R&T Agent KFin viz. <https://evoting.kfintech.com> and shall also be communicated to the stock exchanges viz BSE Limited & National Stock Exchange of India Ltd. where the shares of the Company are listed. Results shall also be displayed on the Notice Board at the Registered Office of the Company. The resolutions shall be deemed to have been passed at the AGM of the Company subject to obtaining requisite votes thereto.

- ii. Process for registration of email id for obtaining Annual Report or other communications from company and process for updation of bank account mandate for receipt of dividend are stated as hereunder:

Physical Holding	<p>(i) Submit a request to KFin at <a href="https://karisma.kfintech.com/emailreg">https://karisma.kfintech.com/emailreg</a> providing 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) for registering your email address, on or before Monday, August 1, 2022 in relation to the AGM to enable KFin to send Annual Report at your email address.</p> <p>Alternatively Annual Report, consisted of AGM notice, can also be downloaded from Company website <a href="http://www.supremepetrochem.com">www.supremepetrochem.com</a></p> <p>(ii) For updation of dividend mandate, please send following details to <a href="mailto:einward.ris@kfintech.com">einward.ris@kfintech.com</a> on or before Monday, August 1, 2022.</p> <ul style="list-style-type: none"> <li>a) Name and Branch of the Bank in which you wish to receive the dividend,</li> <li>b) The Bank Account type,</li> <li>c) Bank Account Number allotted by their banks after implementation of Core Banking Solutions,</li> <li>d) 9 digit MICR Code Number,</li> <li>e) 11 digit IFSC Code and</li> <li>f) A scanned copy of the cancelled cheque bearing the name of the first shareholder</li> </ul>
Demat Holding	<p>Please contact your Depository Participant (DP) and register your email address with your DP and also communicate your email ID at <a href="mailto:einward.ris@kfintech.com">einward.ris@kfintech.com</a> on or before Monday, August 1, 2022 for obtaining Annual Report or alternatively it can be downloaded from Company website <a href="http://www.supremepetrochem.com">www.supremepetrochem.com</a> and also update bank account details in your demat account for dividend purpose as per the process advised by your DP.</p>

## ANNEXURE TO THE NOTICE

**Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 regarding Special Business(es):**

**ITEM NO. 3 & 4:**

Shri M. P. Taparia and Shri S. J. Taparia shall retire at the ensuing Annual General Meeting of the Company and being eligible offer themselves for re-appointment.

The re-appointment of Shri M. P. Taparia and Shri S. J. Taparia will be highly beneficial to the Company considering their long, versatile, and enriched business experience of around 64 and 54 years respectively in the field of Expansion / Marketing / Operations / Manufacturing etc. Plastic / Petrochemical business(es) and managing the overall business(es) affairs of the Company with high efficiency, hence Board recommends for their re-appointment.

Regulation 17(1A) of SEBI (LODR) Regulations, 2015 requires the listed entities to obtain approval of the shareholders by way of Special Resolution to appoint or continue the Directorship of any Non-Executive Director who have attained the age of 75 Years or more.

Shri M. P. Taparia and Shri S. J. Taparia are concerned or interested in this resolution mentioned at Item No. 3 & 4 of the AGM Notice for being related to their own re-appointment as Non- Executive & Non Independent Director of the Company liable to retire by rotation and as relatives of each other. Shri B. L. Taparia, Director, is the brother of Shri M. P. Taparia and uncle of Shri S. J. Taparia the Director of the Company. Other than these Directors, none of the other Directors, Key Managerial Personnel of the Company or their relatives are concerned or interested in these Resolutions.

The Board recommends for the re-appointment of Shri M. P. Taparia as Non-Executive, Non-Independent / Promoter Director and Shri S. J. Taparia as Non-Executive and Non-Independent Director of the Company liable to retire by rotation.

None of the Directors and Key Managerial Personnel of the Company and their relatives may be deemed to be concerned or interested in the said resolution in any manner except to the extent of their shareholding in the company, if any.

**BRIEF PARTICULARS/PROFILE OF THE DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT PURSUANT TO THE PROVISIONS OF REGULATION 36(3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:**

<b>A.</b>	Name of the Director	<b>M P Taparia</b>
	DIN	00112461
	Age	84 years (DOB 22.10.1937)
	Nationality	Indian
	Qualification	B.A.
	Experience/Expertise	He is the Managing Director of The Supreme Industries Ltd. He has commenced his business carrier over 64 years ago. Expertise and wide experience in Business Management, Marketing, Operations and is also actively involved in various industry forums.
	Date of Appointment as Director of the Company	December 14, 1989
	Other Directorships (Listed/Public Companies)	The Supreme Industries Limited Supreme Capital Management Limited
	Membership/Chairmanship in other Committees	The Supreme Industries Limited Stakeholders Relationship Committee – Member Corporate Social Responsibility Committee – Member Risk Management Committee – Chairperson
	Shareholding in the Company	37733
	Relationships between the Directors inter-se, if any	Shri M P Taparia is brother of Shri B L Taparia and uncle of Shri S J Taparia – Directors of the Company



<b>B.</b> Name of the Director	<b>S J Taparia</b>
DIN	000112513
Age	76 (DOB 07.08.1945)
Nationality	Indian
Qualification	B. E (Mechanical).
Experience / Expertise	He is the Executive Director of The Supreme Industries Limited. He has commenced his business carrier over 54 years ago. Expertise and rich experience in technical, operational and marketing aspects of industrial products and is also actively involved in various industry forums.
Date of Appointment as Director of the Company	November 22, 1993
Other Directorships (Listed/Public Companies)	The Supreme Industries Limited Supreme Capital Management Limited
Membership/Chairman in other Committees	NIL
Shareholding in the Company	37733
Relationships between the Directors inter-se, if any	Shri S.J Taparia is nephew of Shri M P Taparia and Shri B L Taparia – Directors of the Company

**ITEM NO. 5:**

The Board of Directors, on recommendation of the Audit Committee, at their meeting held on April 27, 2022 approved the re-appointment and remuneration of M/s. Kishore Bhatia & Associates, Cost Accountants as Cost Auditor of the Company to conduct audit of its cost accounting records for the Financial Year ending on March 31, 2023 for the existing annual remuneration of ₹ 4,40,000/- (Rupees Four Lakhs Forty Thousand Only) plus out of pocket expenses and GST thereon.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit & Auditors) Rules, 2014 the remuneration payable to the Cost Auditors has to be ratified by the Members of the Company post their appointment and remuneration fixed by the Board.

Accordingly, consent of the Members is being sought through an Ordinary Resolution vide Item No. 5 of the AGM Notice for ratification of remuneration payable to the Cost Auditor and the Board recommends the same.

None of the Directors and Key Managerial Personnel of the Company and their relatives may be deemed to be concerned or interested in the said resolution in any manner.

By Order of the Board of Directors  
For **Supreme Petrochem Ltd**

**Rajan B. Raheja**  
Director

**Registered Office:**

Solitaire Corporate Park, Building No. 11, 5th Floor,  
167, Guru Hargovindji Marg, Andheri-Ghatkopar Link Road,  
Chakala, Andheri (East), Mumbai - 400 093  
Phone : +91 22 67091900; Fax : +91 22 40055681  
email : investorhelpline@spl.co.in  
website: www.supremepetrochem.com

Date: June 04, 2022  
Place: Mumbai

## BOARD'S REPORT 2021-2022

### Members,

The Board of Directors of the Company are delighted to present the Thirty Third Annual Report of the Company along with its Audited Financial Statements for the Financial Year ended on March 31, 2022.

### 1. FINANCIAL HIGHLIGHTS

(₹ in lakhs)

	Year Ended 31.03.2022	Year Ended 31.03.2021
Revenue (net of GST)	506279.78	320645.12
<b>Profit Before Tax (PBT)</b>	<b>88781.81</b>	64378.36
Less - Tax Expenses	22455.32	16629.19
<b>Profit After Tax (PAT)</b>	<b>66326.49</b>	47749.17
Interim/Final Dividend on equity shares (including corporate dividend tax) paid during the year	15513.41	3760.82
<b>Transfer to General Reserves</b>	<b>45000</b>	30000.00
<b>Retained Earnings</b>	<b>26502.42</b>	<b>20689.35</b>

### 2. DIVIDEND

During the year under review, Directors of the Company on October 20, 2021, declared an interim dividend of ₹ 4.00 (Rupees Four Only) per share for financial year 2021-2022 on its paid up Equity Share Capital, consisted of 94020671 equity shares of ₹ 10/- each leading to a total outflow of ₹ 3760.83 Lakhs.

Directors have further recommended a final dividend of ₹ 14/- (Rupees Fourteen only) per share for financial year 2021-2022 (350%) on its paid up Equity Share Capital consisting of 94020671 Equity Shares of ₹ 4/- each post reduction of share capital leading to an outflow of ₹ 13162.89 lakhs subject to approval of members in the ensuing Annual General Meeting of the Company.

The payout of dividend is in line with the Company's policy to meet its long-term growth objectives and will be met through internal cash accruals of the Company.

Pursuant to the provisions of Regulation 43A(1) of SEBI (LODR) Regulations, 2015, the Company has formulated its Dividend Distribution Policy which is available on the website of the Company [www.supremepetrochem.com](http://www.supremepetrochem.com).

### 3. REVIEW OF OPERATIONS

Company's revenue stood at ₹ 5062.80 Crores (net of GST) for the year under review as compared to ₹ 3206.45 Crores (net of GST) in the previous year. Company during the year under review earned a net profit of ₹ 663.26 Crores against ₹ 477.49 Crores in the previous

year. Healthy delta between price of raw material and Company's products prevalent globally aided by overall growth in Company's volumes by 16.7% helped improve Company's performance for the F.Y. 2021-22. Improved demand from appliances sector with local manufacturers ramping up production and also from non OEM segments helped increase in the volumes. XPS board was in demand for packaging and transportation of Covid vaccine apart from improved usage in institutional construction.

### 4. REDUCTION OF SHARE CAPITAL

The Board of Directors of the Company in their meeting held on March 12, 2021, recommended the scheme for the reduction of paid up equity share capital of the Company in terms of Section 66 of the Companies Act, 2013 and Regulation 37 of SEBI (LODR) Regulations, 2015. As per said scheme a sum of ₹ 6/- per share was to be returned to eligible shareholders by way of reduction of nominal and paid-up value of each equity share from ₹ 10/- to ₹ 4/- per share. The said scheme was approved by the shareholders vide special resolution dated 13-08-2021 and subsequently also approved by National Company Law Tribunal, Mumbai Bench, Mumbai ("NCLT") vide order dated 10-03-2022.

Post the reduction of paid-up equity share capital of Company as aforesaid, the authorised equity share capital of the Company will be ₹ 125 Crores divided into 31,25,00,000 equity shares of ₹ 4/- each. The issued, subscribed and paid up share capital of the Company therefore stands reduced to ₹ 37,60,82,684/- (Rupees Thirty Seven Crores Sixty Lakhs Eighty Two Thousand Six Hundred and Eighty Four Only ) divided into 9,40,20,671 (Nine Crores Forty Lakhs Twenty Thousand Six Hundred Seventy One Only) equity shares of ₹ 4/- each fully paid up as against earlier its Share Capital of ₹ 94,02,06,710 (Rupees Ninety Four Crores Two Lakhs Six Thousand Seven Hundred Ten Only) divided into 9,40,20,671 equity shares of ₹ 10/- each fully paid up. An amount of ₹ 6/- per equity share has been paid to the eligible equity shareholders of the Company as on the record date April 8, 2022 and the remaining 21,84,79,329 equity shares of ₹ 4/- (Rupee Four Only) each are unissued.

The paid up share capital of the Company, therefore stands reduced to ₹ 3760.83 Lakhs from earlier capital of ₹ 9402.01 Lakhs as on March 31, 2022.

### 5. MANAGEMENT DISCUSSION AND ANALYSIS REPORT & CORPORATE GOVERNANCE REPORT

Management Discussion and Analysis Report (including the details w.r.t Technology Import, Capital Expenditure (CAPEX), expansion activities) & Corporate Governance Report of the Company for the year under review are annexed to the Annual Report separately forming its integral part. The Certificate(s) issued by M/s Parikh & Associates, Practicing Company Secretaries, pertaining to compliance of 'Corporate Governance' conditions by Company, as applicable, and no debarment or



disqualification of Directors of the Company, by SEBI/ MCA or any other statutory authority, from being appointed or continue as Director of the Company is annexed to Corporate Governance Report vide Annexure - A & B respectively.

## **6. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (BRSR)**

Business Responsibility and Sustainability Report for the year under review in terms of amended Regulation 34(2) (f) of SEBI (LODR) Regulations, 2015, though optional for F.Y. 2021-22, is annexed separately forming integral part of the Annual Report.

## **7. HEALTH, SAFETY & ENVIRONMENT (HSE)**

Considering the significance of Health, Safety & Environment (HSE) to any petrochemical operations, Company has established a robust HSE system at both of its plants situated at Amdoshi, Maharashtra and Manali, Chennai.

Both the Environmental Management System and Occupational Health and Safety Management System continue to be maintained by the Company as per the ISO 14001:2015 Standard and ISO 45001:2018 Standard, respectively.

Company continues to implement the HSE Management Systems under the Guiding Principles of declared Integrated Management System Policy (Occupational Health and Safety Policy' and 'Environmental Policy').

HSE Performance Index for the period under review is in "Excellent" Range.

The Company has completed 7837 accident-free days as on March 31, 2022, which amounts to 20.50 million man-hours of accident-free operations.

## **8. DIRECTORS AND WHOLE TIME MANAGERIAL PERSONNEL**

### **(A) Change in Directors and Key Managerial Personnel:**

#### **(i) Appointment of Directors retiring by Rotation:**

Shri M. P. Taparia (DIN 00112461) and Shri S. J. Taparia (DIN 00112513), Directors of the Company will retire by rotation at the ensuing Annual General Meeting of the Company and being eligible, have offered themselves for re-appointment as Non-Executive and Non-Independent Directors of the Company.

Except above changes, which the Board recommends and are included in the AGM notice for seeking approval of members, there is no other change in the composition of the Board of Directors and Key Managerial Personnel (KMPs) of the Company during the year under review.

### **(B) Annual evaluation of the Board and Board Committees:**

Company has a well-defined criterion for evaluation of performance of the Board and its Committees, Independent Directors, Non-Independent Directors and Chairperson of the Company as approved by its Nomination and Remuneration Committee.

Pursuant to the provisions of Section 178(3) of Companies Act, 2013 and Regulation 17(10) of SEBI (LODR) Regulations, 2015, the Board has carried out the annual evaluation of Independent Directors of the Company viz. Shri M. S. Ramachandran, Shri R. Kannan, Ms. Ameeta Parpia, Dr. S. Sivaram and Shri Rajeev Pandia individually and working of all the Committee of the Board and found their performance to be highly commendable. They also noted that all the Independent Directors of the Company are fulfilling the criteria of their independence as per the provisions of Section 149(6) of Companies Act, 2013 and Regulation 16(1)(b) of SEBI (LODR) Regulations, 2015 and the Directors of the Company do not bear any debarment / disqualification with respect to their continuance in the Directorship of the Company as per their disclosures made to the Company.

Further pursuant to the aforesaid Provisions of Companies Act, 2013 and Regulation 25(3) & (4) of SEBI (LODR) Regulations, 2015, the Independent Directors carried out the annual evaluation of Non-Independent Directors viz. Shri M. P. Taparia, Shri Rajan B Raheja, Shri B. L. Taparia, Shri S. J. Taparia, Shri K.V. Mujumdar and the Board as a whole and the Chairperson of the Company and were immensely satisfied with their efficient management of the overall affairs of the Company. They also appreciated the focused leadership and versatile functioning of the Board Chairperson Shri M. P. Taparia in maintaining the values, ethos, principles and standards of Corporate Governance.

The Board expressed its contentment with the evaluation results reflecting the high level of engagement of the Board and its Committees in managing the overall affairs of the Company and its Management.

The Criteria related to evaluation of Independent Directors are disclosed in the Corporate Governance Report annexed to the Annual Report separately forming its integral part.

The criteria / policies of the Company for selection of Directors and Remuneration Policy for Directors, Key Managerial Personnel (KMPs) / Sr. Management Personnel and other employees of the Company is annexed to the Board Report vide Annexure 1 forming integral part of the Board Report.



**(C) Familiarization Programme of the Independent Directors:**

Pursuant to the provisions of Regulation 25(7) of SEBI (LODR) Regulations, 2015, the details of the Familiarization Programme conducted for Independent Directors during the year under review is placed on the website of the Company and can be accessed at [www.supremepetrochem.com](http://www.supremepetrochem.com).

**(D) Declaration from Independent Directors**

Pursuant to the provisions of Section 149 of the Act, the Independent Directors have submitted declarations that each of them meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and Rules framed thereunder and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. There has been no change in the circumstances affecting their status as Independent Directors of the Company during the year under review.

In the opinion of the Board, the Independent Directors possess appropriate balance of skills, experience and knowledge as required for conducting the affairs of the Company.

**9. DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the provisions of Section 134(5) of The Companies Act, 2013, Directors confirm that:

- (a) in the preparation of the annual accounts, for the financial year ended March 31, 2022, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- (b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- (c) proper and sufficient care have been taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the annual accounts have been prepared on a going concern basis;
- (e) internal financial controls laid down by the Directors were followed by the Company and that such internal financial controls are adequate and are operating effectively;
- (f) proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems are adequate and operating effectively.

**10. TRANSFER OF UNCLAIMED SHARES AND DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND**

Pursuant to the provisions of Section 124(5) of the Companies Act, 2013, all unpaid or unclaimed dividends for a period of seven years are required to be transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government.

Company transferred an aggregate amount of ₹ 38.73 Lakhs during the year under review to the Investor Education and Protection Fund Account. The aggregate amount transferred to the fund since January 2002 is ₹ 529.59 Lakhs.

Further Section 124(6) of the Companies Act, 2013 requires that all shares in respect of which unpaid or unclaimed dividend has been transferred to IEPF, shall also be transferred to IEPF. The Rules notified by Ministry of Corporate Affairs, inter alia other matters, contain provisions for transfer of all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more, in the name of IEPF.

In view of above provisions, Company transferred 89355 equity shares belonging to 569 shareholders between 10/01/2022 to 15/01/2022 to the Investor Education and Protection Fund Account including 100 equity Shares from the Unclaimed Suspense Account.

The unclaimed dividends on equity shares paid in September 2015 will be due for transfer to the IEPF in September, 2022. Investors who have not yet claimed these dividends are requested to contact the Company or the RTA of the Company for any support required, in this regard.

The Company will upload full details of such shareholders and shares due for transfer to IEPF Account on its website at [www.supremepetrochem.com/investorrelations](http://www.supremepetrochem.com/investorrelations). Members are requested to complete formalities for claiming unpaid dividend, if any, to avoid transfer of such shares to IEPF. Please refer to the section Shareholders' Assistance in the Corporate Governance Report for further details.

**11. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, CAPITAL INVESTMENT, FOREIGN EXCHANGE EARNING AND OUTGO**

Information(s) required pursuant to the provisions of Section 134(3)(m) of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014, are stated as hereunder

**A CONSERVATION OF ENERGY**

Energy Conservation programme at both the plant locations of the Company resulted in saving of energy to the extent of 371600 KWH (comprising of 253979 KWH at Amdoshi Plant, Maharashtra and 117621 KWH at Manali Plant, Tamilnadu).



The energy conservation programme mainly comprised of replacement of HPSV and HPMV Fittings with LED Fittings, replacement of existing induction motors with energy efficient induction motors, provision of VFDs and optimisation of equipment utilisation in plant.

**B TECHNOLOGY ABSORPTION**

As far as Technology absorption is concerned, all the previously supplied technologies have fully been absorbed and implemented.

**C CAPITAL INVESTMENT**

The details w.r.t. Capital Investment of the Company (viz. CAPEX) are stated in the Management Discussion and Analysis Report of the Company separately annexed to the Annual Report forming its integral part.

**D FOREIGN EXCHANGE EARNINGS AND OUTGO (ON ACTUAL BASIS)**

(₹ in lakhs)

Foreign exchange earnings and outgo (Actuals)	F.Y. 2021-2022
a. Inflow in Foreign Currency	44424.62
b. Outflow in Foreign Currency	353126.00

**12. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES**

With respect to disclosures pertaining to remuneration of employees and other details as required under Section 197(12) of the Companies Act, 2013, read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and also having regard to the proviso to Section 136(1) of the Companies Act, 2013 and as advised, the Annual Report excluding the aforesaid information(s) is being sent to the members of the Company, however statement showing the names and other requisite particulars of such employees drawing remuneration in excess of the threshold limits set out in the aforesaid rules is available for inspection at the Registered Office of the Company during working hours for a period of 21 days before the date of AGM and any member interested in obtaining such information may write to the Company Secretary and the same will be furnished on request.

The Annual Report of the Company is also available on its website [www.supremepetrochem.com](http://www.supremepetrochem.com)

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the financial year:

- a. The ratio of the remuneration of Executive Director to the median remuneration of the employees of the Company for the financial year 2021-22:

Name of the Executive Director	Remuneration Ratio
Shri K.V. Mujumdar	13.86:1

- b. The percentage increase in remuneration of Manager, CFO, Whole Time Director and Company Secretary in the F.Y. 2021-22:

Designation	% Increase in the remuneration 2021-2022
Manager	10.86%
Chief Financial Officer (CFO)	10.75%
Whole Time Director	15.83%
Company Secretary	12.47%

- c. The Key parameters for any variable component of remuneration availed by the Whole Time Director; it is dependent on Company and employee's performance.
- d. The percentage increase in the median remuneration of employees in the Financial Year 2021-2022 - 10%
- e. The number of permanent employees on the rolls of Company as on 31.03.2022 - 382
- f. The average percentage increase in the salaries of employees other than the Managerial Personnel was 11% as compared to the average % increase of 13.35% in the Managerial personnel remuneration.

The Company affirms that the remuneration is as per the Remuneration Policy of the Company.

**13. AUDITORS AND AUDIT REPORTS**

**Statutory Auditors**

M/s. G M Kapadia & Co. is the Statutory Auditors of the Company, and their Audit Report forms integral part of the Annual Report. The members in the Annual General Meeting held on July 18, 2018 appointed M/s. G M Kapadia & Co., Chartered Accountants (FRN104767W) as Statutory Auditors of the Company to hold office from conclusion of 29th Annual General Meeting of the Company to the conclusion of its 34th Annual General Meeting to be held in calendar year 2023. The requirement of ratification of appointment of Statutory Auditors every year by the members of Company have been withdrawn w.e.f. May 7, 2018 vide Companies (Amendment) Act, 2017.

During the year under review, the Audit Report does not contain any qualification, reservation, adverse remark or disclaimer and no fraud was noticed by the Auditors of the Company during Financial Year 2021-2022 which is reportable under Section 143(12) of the Companies Act, 2013.

**Cost Auditors**

M/s. Kishore Bhatia & Associates has been appointed by the Board as Cost Auditors of the Company to conduct audit of its cost accounting records for the financial year 2022-2023.

In accordance with the requirement of the Central Government and pursuant to the provisions of Section 148 of the Act, the Company has maintained the cost records for Financial Year 2021-2022 as applicable. Annual Audit of the cost accounting records of the Company is also carried out by the Cost Auditors.

The remuneration payable to the Cost Auditors is required to be placed before the members in General Meeting for their ratification. Accordingly, a resolution for the remuneration of said cost auditor is included in the AGM notice of the Company vide Item No. 5 annexed to the Annual Report.

**Secretarial Auditors**

The Company has devised proper systems to ensure compliance with the provisions of secretarial standards issued by the Institute of Company Secretaries of India as applicable to the Company and that such systems are adequate and operating effectively.

Pursuant to the provisions of Section 204 of Companies Act, 2013 and rules thereto, M/s. Parikh & Associates, Practicing Company Secretaries, has been appointed by the Board as Secretarial Auditors of the Company to conduct its secretarial audit for the Financial Year 2022-2023.

The Secretarial Audit Report for the Financial Year ended March 31, 2022 in form No. MR-3 is annexed to this Board Report vide Annexure-2 forming integral part thereof. The Secretarial Auditors' Report does not contain any qualification, reservation or adverse remark.

**14. RELATED PARTY TRANSACTIONS**

Transactions with related parties during the year under review were in compliance with the provisions of Regulation 23(1) of SEBI (LODR) Regulations, 2015 and Section 188 of Companies Act, 2013. These transactions were in the ordinary course of business and on an arm's length basis. During the year under review, Company did not enter into any contract or arrangement which could be considered material as per the policy of Company on materiality of Related Party Transactions.

The said Policy on materiality of Related Party Transactions, as approved by the Board, is available on the Company's website at the link: [www.supremepetrochem.com](http://www.supremepetrochem.com). Information with respect to Related Party Transactions taken place during financial year 2021-22 is annexed to the Board Report in form AOC-2, vide Annexure 3, forming its integral part.

**15. CORPORATE SOCIAL RESPONSIBILITY (CSR)**

Corporate Social Responsibility Committee has formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) in terms of Section 135 of Companies Act, 2013 and Schedule VII thereto. The CSR Policy as approved by the Board is available on the Company's website at the link: [www.supremepetrochem.com](http://www.supremepetrochem.com).

The Company, during the financial year 2021-2022, has spent an amount of ₹ 565.55 Lakhs on various CSR activities as against the total required amount of ₹ 540.27 Lakhs post adjustment of the set off amount of ₹ 14.94 Lakhs excess CSR expenditure incurred in Financial Year 2020- 2021. An unspent amount of ₹ 416.38 Lakhs in respect of two ongoing projects in Maharashtra State has been deposited in a separate bank account for spending on these projects in next 3 years. With this deposit, CSR spending exceeds the prescribed amount by ₹ 25.28 Lakhs and this amount is available for set off against CSR activities in F.Y. 2022-23.

The prescribed amount to be spent by Company for CSR activities during Financial Year 2022-2023, as per Section 135 of Companies Act, 2013, amounts to ₹ 1082.11 Lakhs.

The details of CSR activities undertaken by the Company during the year under review is annexed to the Board Report vide Annexure 4 forming its integral part.

**16. RISK MANAGEMENT**

Risk Evaluation of the business of the Company and the Management is a consistent process within the Company. In terms of the provisions of Regulation 17(9) of SEBI (LODR) Regulations, 2015, the Company has a robust risk management framework to identify, monitor and minimize its risk. As a process, the risks associated with the business are prioritised based on Probability, Severity, Nature and Effectiveness of current detection.

Risk Management approach is comprised of three components:

- 1) Risk Governance
- 2) Risk Identification
- 3) Risk Assessment and Control

Each risk factor is monitored periodically by the Management and any risk-associated event arising from these factors which are likely to impact operations considerably are reported to the Board and Risk Management Committee.

In accordance with the provisions of Regulation 21 of SEBI (LODR) Regulations, 2015, the Company has constituted a Risk Management Committee on July 18, 2018, to look into and effectively deal with the risk-matters and risk events, if any, of the Company and take appropriate remedial steps, wherever required. During the year under review, management has not come across any element of risk which can threaten its existence.

**17. INTERNAL FINANCIAL CONTROLS**

Company has adequate internal financial control system in place commensurating with its size, scale and the nature of business with an objective to ensure that transactions are recorded, authorised and reported correctly apart from protecting its assets against any major misuse or loss. Company has adequate internal financial control system with reference to its financial statements also. The Company's Internal Auditors carry out regular checks on the adequacy of the internal financial controls. Company has designated Internal Auditors for functions such as GST, financial controls and systems. The Internal Audit system is reviewed periodically to ensure its adequacy and compliances in conformity with the policies of the Company and its operating system.

The Internal Audit Reports are submitted periodically to the Audit Committee. The Audit Committee members review these reports and discuss with the executive management, wherever required and requisite corrective actions are taken up by the process owners in their respective areas and thereby strengthen the financial controls.

**18. VIGIL MECHANISM / WHISTLE BLOWER POLICY**

Company has formulated a Whistle Blower Policy and has also established an effective vigil / whistle blower mechanism for its Stakeholders including its Employees & Directors and provides them a channel to report to the Management their concerns about unethical behaviour, actual or suspected fraud, mismanagement or violation of code of conduct or policy of the Company, if any. The mechanism provides for adequate protection against victimization of the whistle blower and provides for direct access to the Chairperson of the Audit Committee in exceptional cases.

**19. POLICY FOR PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE**

Company has zero tolerance for sexual harassment at workplace and has adopted, in line with the provision of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013 (POSH), a documented policy for prevention, prohibition and redressal of sexual harassment of women at workplace, under the guiding principle that no woman shall be subjected to sexual harassment at workplace(s) in the Company's location(s).

Company has re-constituted the Internal Complaints Committee (ICC) comprised of internal and external members, to hear, inquire, investigate and suitably address the matter of complaints of sexual harassment, if any, and to recommend punitive / corrective action to the Management. Easy access has been provided to the ICC for woman employees of the Company.

Disclosures pursuant to the provisions of Sexual Harassment of Women at Workplace (Prevention,

Prohibition and Redressal) Act, 2013 and SEBI - Listing Regulations are as under:

No of complaints filed during the financial year 2021-22	NIL
No of complaints filed / disposed of during the financial year 2021-22	NIL
No of complaints pending as on the end of financial year 2021-22	NIL

**20. MEETINGS OF THE BOARD OF DIRECTORS**

Six meetings of the Board of Directors were held during the F.Y. 2021-22. The details are provided in the Corporate Governance Report annexed separately to the Annual Report forming its integral part.

**21. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT**

The Company had not given any loans or guarantees or made any direct investment in the securities of the Company, pursuant to the provisions of Section 186 of the Companies Act, 2013 during the Financial Year 2021-2022.

**22. ANNUAL RETURN**

Pursuant to the provisions of Section 134(3)(a) and Section 92(3) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, Annual Return of the Company as at 31st March, 2022 is uploaded on the website of the Company [www.supremepetrochem.com](http://www.supremepetrochem.com).

**23. DETAILS OF SUBSIDIARIES / JOINT VENTURES/ ASSOCIATES ENTITY**

The Company does not have any subsidiary/ joint venture / Associate entity.

**24. CODE OF CONDUCT FOR PROHIBITION OF INSIDER TRADING**

Company has in place a Code of Conduct for prohibition of Insider Trading, which stipulates the process of trading in the securities of the Company by the persons having direct or indirect access to the Unpublished Price Sensitive Information(s) of the Company (UPSIs) including the designated employees / connected persons. The said code is aimed to regulate, monitor and report the trading in the securities of the Company by the Insiders as per prevailing law and regulation(s).

The said Code of Conduct is available at the website of the Company [www.supremepetrochem.com](http://www.supremepetrochem.com).

**25. CREDIT RATING**

During the year under review, the Company has not issued any debt instrument or fixed deposit receipts etc. in India or abroad.

CRISIL Ratings Ltd has assigned long term rating at CRISIL AA-/Stable and short term rating at CRISIL A1+ for Company's fund and non fund based working capital facilities from Banks.

India Ratings and Research (IND-Ra) has assigned Company's long term rating at IND AA- with stable outlook and short term rating at IND A1+ for Company's fund and non fund based working capital facilities from Banks.

## 26. ACCREDITATIONS

Company has following accreditations :

1. ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 from Bureau Veritas for its Management System, valid upto 09-04-2024.
2. Authorized Economic Operator (AEO) under T2 category by Directorate of International Customs, for its import and exports, valid upto 30-01-2025.
3. Recognized as Three Star Export House by Ministry of Commerce and Industry (DGFT), valid till 07-06-2026.

## 27. MATERIAL CHANGES AND COMMITMENTS BETWEEN THE END OF THE FINANCIAL YEAR AND THE DATE OF THE BOARD REPORT

No material changes and commitments have occurred after the closure of the financial year ended 31st March 2022 till the date of this Report, which would affect the financial position of the Company significantly.

The trading in equity shares of the Company bearing ISIN - INE663A01017 was suspended from trading on the portals of BSE and NSE w.e.f. April 8, 2022, due to its ongoing scheme/ process of reduction of equity share capital detailed vide Item No. 4 as stated hereinabove and listing of new shares. The process for listing of new shares with reduced nominal and paid-up value of ₹ 4/- per share with BSE Limited and The National Stock Exchange of India Limited is under process.

## 28. GENERAL DISCLOSURES

- (A) No disclosure or reporting is required of the following items as there were no transactions with respect to following activities / matters during the year under review.

- i. Issue of equity shares with differential rights as to dividend, voting or otherwise.
- ii. Issue of shares (including sweat equity shares) to employees of the Company under any Scheme.
- iii. Details relating to deposits covered under Chapter V of the Companies Act, 2013.
- iv. No significant or material orders were passed by the Regulators or Courts or Tribunals against the Company or its Directors which may impact the going concern status of the Company or its operations in future or the Directors of the Company in any manner.
- v. No change in the nature of business of the Company.
- vi. No Fund based Borrowing (viz. term loan) availed/ utilised.

### (B) Other Disclosures:

The details of Directorship, meetings held and committee membership of the Directors of the Company are stated in the Corporate Governance Report annexed separately to the Annual Report forming its integral part.

## ACKNOWLEDGEMENT

Directors record their deep gratitude for the unstinted & valuable support and co-operation provided by the stakeholders of the Company all across including its Shareholders, Bankers, Customers, Suppliers, Business Associates etc. and last but not the least by the employees of the Company for their relentless, devoted, outstanding services and contribution to the Company.

For and on behalf of the Board

**Rajan B. Raheja**  
Director

**S. J. Taparia**  
Director

Place: Mumbai  
Date: April 27, 2022



## ANNEXURE - 1

### CRITERIA FOR SELECTION OF DIRECTORS

The Board of Directors has delegated responsibility to the Nomination and Remuneration Committee to formulate criteria for identification and selection of candidates in various positions in Senior Management and who are qualified to be Directors on the Board of Directors of the Company. The Committee has adopted certain criteria for selection of candidates.

The Nomination and Remuneration Committee shall consider the followings for identifying and recommending persons for appointment as Director(s) on the Board of the Company and / or Senior Managerial Personnel/Key Managerial Personnel, as may be applicable:

- (1) Candidate's qualifications, knowledge, skills, exposure/ experience in his/her respective field.
- (2) Honesty, Integrity, Ethical Behaviour and Leadership.
- (3) Achievements in Industry, Business, Profession and/or Social work.
- (4) Appropriate competence, skills, experience and knowledge in one or more fields such as finance, law, management, sales, marketing, administration, research, corporate governance and such other areas that are relevant to the Company's business.
- (5) Whether the candidate is free from any disqualification provided under Section 164 of the Companies Act, 2013, wherever applicable.
- (6) Whether the candidate for Independent Directorship meets the conditions of being independent as per Section 149(6) of Companies Act, 2013 and Regulation 16(1)(b) of SEBI (LODR) Regulations, 2015 or any other rules/regulations as may be applicable to the Company from time to time.

### REMUNERATION POLICY FOR DIRECTORS, KEY MANAGERIAL PERSONNEL, SENIOR MANAGEMENT PERSONNEL AND OTHER EMPLOYEES:

- (1) Remuneration to Directors by way of sitting fees for attending each meeting (revised w.e.f July 20, 2021) is as follows:

Board Meeting	: ₹ 1,00,000/-
Independent Directors Meeting	: ₹ 1,00,000/-
Nomination & Remuneration Committee Meeting	: ₹ 50,000/-
Audit Committee Meeting	: ₹ 50,000/-
Risk Management Committee Meeting	: ₹ 50,000/-
Project Committee Meeting	: ₹ 50,000/-
Capital Reduction Committee Meeting	: ₹ 50,000/-

The Nomination and Remuneration Committee may review and recommend to the Board any revision in sitting fees from time to time, within the overall limits provided under the Companies Act, 2013.

- (2) Remuneration is given on basis of remuneration policy of the Company including industry standards, skills, experience and exposures appropriate to the Company's business requirements.
- (3) Considering profitability and uneven earnings it is recommended not to distribute any share of profits to the Directors till further review.
- (4) The remuneration to Senior Management Personnel/Key Managerial Personnel viz. the Manager / CFO / Whole Time Director and the Company Secretary is as per the remuneration policy for employees of the Company and in compliance with the respective requirements of the Companies Act, 2013 including its schedules, the rules framed thereunder, approval of shareholders and the provisions of the SEBI (LODR) Regulations, 2015, wherever required and as may be applicable.
- (5) Any fees paid to the Directors for rendering any legal or consultancy services to the Company on a professional basis shall not be included in the definition of Remuneration to Directors.

### OTHER EMPLOYEES

#### Objective:

To define and streamline Company's Remuneration Structure & to define the criteria for the same.

#### Categories of Employees:

- i. Unionised
- ii. Non Unionised

#### Remuneration Structure:

- i. Unionised:

The Remuneration Structure of Unionised category of Employees is governed by the Agreement between the Union Workers and the Company.

- ii. Non Unionised:

#### a. Entry Level Recruitments (Trainees)

As per prevailing structure.

#### b. Lateral Recruitments

Lateral Recruitments are done on the basis of Organisation's manpower requirement and placed in one of the existing functional level group / grade. For lateral recruitment salary and personal pay is fixed as may be agreed with the candidate (while fixing this criticality of position, prevailing salary structure in similar companies, prevailing salary structure within the Company for similar position and the experience of the candidate are considered). Other allowances and benefits are as fixed for various grades.

**Performance Assessment / Appraisal:**

Performance appraisal is conducted once in a year for all employees.

The Employees are appraised on the following factors:-

1. Key Responsibility Areas (KRAs)
2. Functional Competencies
3. Behavioural Competencies

Employees are assessed on the 4 rating Scale i.e. 4 – Excellent, 3 – Good, 2 – Average & 1 - Needs Improvement.

Considering the competition, similar sized companies in other industries and Company's performance, the range of percentage hike is fixed.

**Grade Revision**

The Grades are reviewed and revised, if necessary, once in three years to bring the employees in line with the changed market conditions.

For and on behalf of the Board

**Rajan B. Raheja**  
Director

**S. J. Taparia**  
Director

Place: Mumbai  
Date: April 27, 2022

**ANNEXURE - 2****FORM NO. MR-3  
SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022**

(Pursuant to Section 204 (1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

To,

The Members,

**Supreme Petrochem Limited**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Supreme Petrochem 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.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company, to the extent the information provided by the company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the Covid-19 pandemic, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2022 generally 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 made available to us and maintained by the Company for the financial year ended on March 31, 2022 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (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 and amendments from time to time; (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 Act and dealing with client; (Not applicable to the Company during the audit period)
  - (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)
- (vi) Other laws specifically applicable to the Company namely
  - (a) The Factories Act, 1948
  - (b) The Standards of Weights & Measures Act, 1976
  - (c) Manufacture, storage and import of hazardous Chemical Rules, 1989
  - (d) Public Liability Insurance Act/Rules, 1991
  - (e) Water (Prevention and Control) of Pollution Act, 1974 and Rules thereto
  - (f) The Petroleum Act, 1934
  - (g) The Environment Protection Act, 1986



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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and General Meetings.
- (ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, standards etc. mentioned above except the publishing of a public notice by way of advertisement pursuant to MCA circular dated 5th May 2020.

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 changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance other than those held at shorter notice, 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.

Decisions at the Board Meetings were taken unanimously.

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.

We further report that during the audit period, the Company had following event which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

1. The Company got approval of NCLT, Mumbai Bench, Mumbai, vide dated 10-03-2022 for its ongoing Equity Share Capital Reduction Scheme u/s 66 of Companies Act, 2013. Consequently, the paid-up equity share capital of the Company has been reduced from ₹ 94,02,06,710 divided into 9,40,20,671 equity shares of ₹ 10/- each to ₹ 37,60,82,684 divided into 9,40,20,671 equity shares of ₹ 4/- each.
2. The Company has entered into License and Basic Engineering Design Package Agreement (BEDP) with Versalis S.p.A, a subsidiary of Eni. S.p.A, Italy on 02-12-2021 related to Mass ABS Production Technology.

For **Parikh & Associates**  
*Company Secretaries*

Place: Mumbai  
Date : April 27, 2022

Signature:

**Shalini Bhat**  
*Partner*

FCS No: 6484 CP No:6994  
UDIN: F006484D000215561

PR No.: 1129/2021

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’**

To,  
The Members

**Supreme Petrochem Limited**

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 process 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 process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and 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 procedure 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 **Parikh & Associates**  
*Company Secretaries*

Place: Mumbai  
Date : April 27, 2022

Signature:

**Shalini Bhat**  
*Partner*

FCS No: 6484 CP No: 6994  
UDIN: F006484D000215561

PR No.: 1129/2021



**ANNEXURE - 3**

**RELATED PARTY TRANSACTIONS**

**FORM NO. AOC-2**

[Pursuant to section 134(3)(h) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related party(ies) referred to in Sub-Section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

**1) DETAILS OF CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS NOT AT ARM'S LENGTH BASIS**

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions (during F.Y. 2021-22)	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification of entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advance, if any	Date on which the resolution was passed in general meeting (as per the first proviso to Section 188)
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
NIL							

**2) DETAILS OF MATERIAL CONTRACTS OR ARRANGEMENT OR TRANSACTIONS AT ARM'S LENGTH BASIS**

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions (during F.Y. 2021-2022)	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any (₹ in lakhs)	Date(s) of approval by the Board	Amount paid as advance, if any
(a)	(b)	(c)	(d)	(e)	(f)
The Supreme Industries Ltd - Co-Promoter	Sales, purchase or supply of any goods or materials and availing of any services in connection with the purchase or sale of goods or material including storage thereof	As per individual purchase order(s)	Sales: 9068.28 Purchase: 191.37	Not applicable as the transactions are in ordinary course of business and on an arm's length basis and do not fall under the category of material related party transaction. However, details of such transaction(s) are placed before Audit Committee every quarter. Annual Omnibus approval to this effect has also been obtained from Audit Committee.	NIL

For and on behalf of the Board

**Rajan B. Raheja**  
Director

**S. J. Taparia**  
Director

Place: Mumbai  
Date: April 27, 2022



**ANNEXURE - 4**

**REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES**

[Pursuant to Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021]

<b>1.</b>	<b>Brief outline on CSR Policy of the Company</b>	<p>The CSR Policy of the Company has been formulated in accordance with the provisions of Section 135 of Companies Act, 2013 and approved by the Board of Directors.</p> <p>The Company is committed to inclusive and sustainable development of its stakeholders by way of implementing various welfare schemes/activities under CSR programme in an economically, socially, and environmentally sustainable manner.</p> <p>The Company, considering the proviso to Section 135(5) of Companies Act, 2013, prefers its social welfare activities in the vicinity of its plant in Amdoshi, Maharashtra and Manali, Tamil Nadu. Company undertakes CSR activities, as per the mandates of Schedule VII of Companies Act, 2013 and its CSR Policy, benefitting the people of nearby areas majorly in terms of their Health and Hygiene, Education, Sports, Cultural Activities, Rural Development, Covid-19 pandemic relief measures inter alia other welfare activities taken up for the deserving and needy peoples.</p> <p>Company also contributes towards the welfare activities carried out by Government authorities/NGOs/ Hospitals/ Foundation etc in fulfilling its CSR objectives.</p>
-----------	---	---

**2. Composition of CSR Committee**

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	M. P. Taparia	Non Executive – Non-Independent/Chairperson	2	2
2.	Rajan B. Raheja	Non Executive – Non-Independent	2	2
3.	Ameeta Parpia	Non-Executive – Independent	2	2

<b>3</b>	<b>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.</b>	www.supremepetrochem.com	
<b>4</b>	<b>Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).</b>	Not Applicable	
<b>5</b>	<b>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</b>		
Sl. No.	Financial Year	Amount available for set-off from preceding financial years (₹ in Lakhs)	Amount required to be set-off for the financial year, if any (₹ in Lakhs)
1	2018-19	NIL	NIL
2	2019-20	NIL	NIL
3	2020-21	14.94	14.94
	<b>TOTAL</b>	<b>14.94</b>	<b>14.94</b>
<b>6</b>	<b>Average net profit of the Company as per section 135(5) (₹ in Lakhs)</b>		27760.57
<b>7</b>	<b>(a)</b>	<b>Two percent of average net profit of the Company as per section 135(5) (₹ in Lakhs)</b>	555.21
	<b>(b)</b>	<b>Surplus arising out of the CSR projects or programmes or activities of the previous financial years / CSR amount less spent in F.Y. 2019-20 (₹ in Lakhs)</b>	NIL
	<b>(c)</b>	<b>Amount required to be set off for the financial year, if any (₹ in Lakhs)</b>	14.94
	<b>(d)</b>	<b>Total CSR obligation for the financial year (7a+7b- 7c) (₹ in Lakhs)</b>	540.27

8	(a)	CSR amount spent or unspent for the financial year 2021-2022				
Total Amount Spent for the Financial Year (₹ in Lakhs)		Amount Unspent (₹ in Lakhs)				
		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
565.55		416.38	25/04/2022	NIL	NIL	NIL

(b)	Details of CSR amount spent against ongoing projects for the financial year 2021-2022										(₹ in Lakhs)	
(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. 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
1	Society for Rehabilitation of Paraplegics	(i)	No	Maharashtra	Mumbai	3 Years	150.00	5.00	145.00	No	Society for Rehabilitation of Paraplegics	CSR00003853
2	Construction of Medical Health Centre at Wangani	(i)	Yes	Maharashtra	Raigad	3 Years	282.00	10.62	271.38	Yes	NA	NA
TOTAL							432.00	15.62	416.38			

(c)	Details of CSR amount spent against other than ongoing projects for the financial year 2021-2022								(₹ in Lakhs)	
1	2	3	4	5		6	7	8		
Sl. 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 number	
1	Health & Hygiene	(i)	Yes	Maharashtra	Raigad	33.70	Direct	-	-	
2	Education	(ii)	Yes	Maharashtra	Raigad	70.33	Direct	-	-	
3	Cultural Affairs	(v)	Yes	Maharashtra	Raigad	1.10	Direct	-	-	
4	Covid-19	(xii)	Yes	Maharashtra	Raigad	22.56	Direct	-	-	
TOTAL						127.69				

(d)	Amount spent in Administrative Overheads (₹ in Lakhs)	5.86
(e)	Amount spent on Impact Assessment, if applicable	N.A.
(f)	Total amount spent for the Financial Year (8b+8c+8d+8e) (₹ in Lakhs)	149.17
(g)	Excess amount for set-off, if any (₹ in Lakhs)	25.28



SI. No.	Particular	Amount (₹ In Lakhs)
(i)	Two percent of average net profit of the Company as per Section 135(5) of Companies Act, 2013.	555.21
(ii)	Total amount spent for the Financial Year (including set-off of ₹ 14.94 Lakhs of F.Y. 2020-2021)	580.49
(iii)	Excess amount spent for the financial year [(ii)-(i)]	25.28
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set-off in succeeding financial years [(iii)-(iv)]	25.28

9 (a) Details of Unspent CSR amount for the preceding three financial years: (₹ in Lakhs)							
SI. 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	
1.	2018-2019	NIL	340.65	NIL	NIL	NIL	NIL
2.	2019-2020	NIL	266.40	NIL	NIL	NIL	88.80
3.	2020-2021	NIL	351.82	NIL	NIL	NIL	NIL
	<b>TOTAL</b>	<b>NIL</b>	<b>958.87</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>

10 (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): (₹ in Lakhs)								
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
SI. 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
					NIL			
	<b>TOTAL</b>				<b>NIL</b>			

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	As per Annexure-A
	(Asset-wise details)	
(a)	Date of creation or acquisition of the capital asset(s).	
(b)	Amount of CSR spent for creation or acquisition of capital asset.	
(c)	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	
(d)	Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).	

11	Specify the reason(s), if the Company has failed to spend two percent of the average net profit as per section 135(5).	N.A.
----	--	------

M. P. Taparia (Chairperson CSR Committee)	N. Gopal Manager
--	---------------------

**CFO CERTIFICATE :**

This is to certify that the funds allocated for CSR Projects during F.Y. 2021-2022 have been utilized for the specified purpose.

Rakesh Nayyar  
CFO

Place : Mumbai  
Date : April 20, 2022

## ANNEXURE A

### DETAIL OF CAPITAL ASSETS CREATED UNDER CSR PROJECT(S)

Sr No	Nature of Capital Assets	Date of creation / acquisition of the assets	CSR Amount spent on creation/ acquisition of the assets during F.Y. 2021-2022 (₹ in Lakhs)	Detail of Capital Assets created and the entity or public authority or beneficiary to whom it belongs
1	Small Public Toilet Blocks at nearby villages	31-Mar-22	16.83	Construction Works of Total 5 Blocks of smaller public toilet blocks consisting of 2 WCs for Men and 2 WCs for Women undertaken at locations indicated below 1) One Location at Village Wani for Wani Grampanchayat, Taluka Roha, District Raigad, Maharashtra 2) One Location at Village Kadsure, for Kadsure Grampanchayat, Taluka Roha, District Raigad, Maharashtra. 3) One Location at village Medha, for Medha Grampanchayat, Taluka Roha, District Raigad, Maharashtra 4) Two Locations at Village Patansai for Patansai Grampanchayat, Taluka Roha, District Raigad, Maharashtra
2	Health Centre	31-Mar-22	10.62	Site grading work completed for construction of Health Centre at Wangani village, District Raigad, Maharashtra
3	Construction of Anganwadies for Grampanchayats	31-Mar-22	41.22	Construction Works of Total 6 Anaganwadies undertaken at locations indicated below: 1) One location at Village Killawadi, for Group Grampanchayat Kadsure, Taluka Roha, District Raigad, Maharashtra 2) One location at Village Kagadawadi, for Group Grampanchayat Kadsure, Taluka Roha, District Raigad, Maharashtra 3) One location at Village Kadsure, for Group Grampanchayat Kadsure, Taluka Roha, District Raigad, Maharashtra 4) One location at Village Chikani, for Group Grampanchayat Patansai, Taluka Roha, District Raigad, Maharashtra 5) One location at Village Godsai, for Group Grampanchayat Patansai, Taluka Roha, District Raigad, Maharashtra 6) One location at Village Wazaroli, for Group Grampanchayat Patansai, Taluka Roha, District Raigad, Maharashtra
4	E-Learning (E-Classrooms)	31-Mar-22	27.11	E-Learning facility was provided for 15 Classrooms at 5 Schools at locations indicated below: 1) Three Cissrooms at Smt.Geeta Tatkare High School at Village Pigonde, Taluka Roha, District Raigad, Maharashtra 2) Three Classrooms at RZP School at Village Pigonde, Taluka Roha, District Raigad, Maharashtra 3) Two Classrooms at Kanya School at Village Nagothane, Taluka Sudhagad, District Raigad, Maharashtra 4) Two Classrooms at RZP School at Village Nagothane, Taluka Sudhagad, District Raigad, Maharashtra 5) Five Classroom at Jain School at Village Nagothane, Taluka Roha, District Raigad, Maharashtra
5	Purchase of Ambulance	31-Mar-22	13.87	Purchase of 1 Ambulance made and given to the Grampanchayat, Nizampur Division, Taluka - Mahad, District Raigad, Maharashtra.



## MANAGEMENT DISCUSSION AND ANALYSIS

### ECONOMIC OVERVIEW

#### Global Economy

The year 2021-22 was a very challenging year with economies around the globe simultaneously facing Covid-19 pandemic, inflationary pressures, supply chain disruptions and geo-political disturbances. Despite the challenges the global economy as per IMF report grew by 5.9% in 2021 following a contraction of 3.1% in 2020.

Global economic recovery was possible due to vaccination drive, sizeable government spending, stimulus packages and easy money policies of the governments and pent up demand which helped cushion impact of Covid-19 pandemic.

The onset of the Omicron variant of Covid-19 towards the end of calendar 2021 slowed the growth momentum. This coupled with the recent geo-political tensions and Ukraine-Russia conflict has led to increase in energy costs, rise in inflation, supply chain disruptions affecting production of many industries all around. Inflation pressures are forcing the central banks of all major economies to accelerate increase in interest rates thus ending easy money policies.

IMF report in January 2022 projected a global economic growth of 4.4% for calendar 2022. IMF has in April 2022 slashed its world growth forecast to 3.6% in 2022 on account of Russia's invasion of Ukraine and lockdown in China due to resurgence of Covid pandemic virus.

#### Indian Economy

The Indian Economy witnessed a strong GDP growth of 8.9% in F.Y. 2021-22. Domestic output crossed pre-Covid pandemic levels despite devastating second wave of Covid-19 pandemic in the first quarter of the year which tested country's health infrastructure to its limits. A higher vaccination rate with localized lockdowns led to increased consumer confidence and ensured fast pickup in the domestic economy. Growth was also aided by accommodative RBI policy.

IMF lowered its GDP growth forecast for India to 8.2% for 2022 whereas Reserve Bank of India has lowered its projected GDP growth for F.Y. 2022-23 at 7.2% in view of the headwinds from the geo-political issues causing increase in energy prices, supply chain disruptions, rise in input costs, and rising inflationary pressures in the economy.

A bright spot for the Indian economy is the increase in new start-up ventures and strong investment inflow of FDI. A normal monsoon is projected for 2022-23 which shall help agriculture sector. Announcement of Production Linked Incentive (PLI) scheme by the Government of India is expected to benefit multiple sectors of the economy with increased capacity buildup by the eligible PLI scheme units. The Indian economy shall also benefit from the demographic dividend extended by the young upwardly mobile population. All these augur well for the economic growth of the country in 2022-23.

### REVIEW OF OPERATIONS

Company earned a net profit after tax of ₹ 663.26 crores during the year 2021-22 as against ₹ 477.49 crores in the previous year. Improved performance was possible due to overall growth in the volume sales of Company's products and prevalence globally of healthy margins between raw material and finished product prices.

Company's total sales volume of its manufactured products increased during the year by 16.72% to 272627 MT. Second wave of Covid-19 pandemic in 1st quarter of 2021-22 resulted in localized lockdowns and restrictions which led to slow down in domestic sales in the said quarter. With lower offtake domestically in May/ June 2021, Company exported most of its products. With the learnings from the 1st wave of Covid-19 pandemic, Company had all the procedures in place to handle and mitigate to a large extent the impact of pandemic on the Company's business. All precautions were taken for the safety of the employees at both factories, all marketing offices and sales depots. The new variant Omicron did cause large number of infections, but the severity minimized due to nature of this variant and also the increased number of vaccination in the country.

#### Styrene Monomer (SM)

SM prices remained largely moderated in the year till February 2022 after which it spiked mainly due to the Russia - Ukraine conflict. Though SM production was affected severely due to Hurricane Ida in August 2021 in USA, there was no major impact in pricing and availability at global level, mainly due to compensating quantities from new SM plants in Mainland China. There were shipment delays on some occasions due to Covid-19 pandemic leading to quarantine of ships/ shutdown of ports or shortages or manpower at load ports.

#### Outlook

China is planning to add further a capacity of 3.1 million tons per year of SM in 2022-23. Anticipated self-sufficiency of SM in China, which is a major importer of SM of the world till recently, is expected to re-align global supply chain, the effect of which will be felt in the years ahead. In this new environment that is evolving, the Company is assured of strong support from all the current suppliers for whom India is emerging as one of the major destinations. Also the emerging suppliers from Asia are showing keen interest to participate in the Company's increased requirements of SM consequent on completion of expansion of PS/EPS capacities. In the event Ukraine - Russia war is prolonged, the impact of supply chain disruptions and increase in energy prices may affect supplies and price of raw materials.

#### Polystyrene (PS)

Domestic polystyrene market saw a growth of 11.2% in the year under review, despite loss of business in the 1st quarter due to 2nd wave of Covid-19 pandemic. Company's business grew by 23.4% due to better supply chain management and improved demand from appliances segment particularly air conditioners and washing machine manufacturers. Certain sunset segments like single use plastic items (SUPs) saw degrowth due to environmental regulations. All Non-OEM



segments also registered growth in demand during the year. Company benefitted by the ban on import of fully assembled Air Conditioners (ACs) and consequently ramping up production by local producers. The high gloss HIPS produced by the Company is eminently suitable for the styling part of ACs and is not easily available in the international markets.

**Outlook**

New capacities both by existing players & new entrants in AC manufacturing are being built under PLI scheme targeting both domestic & export markets, the benefits of which will accrue to the Company in the coming years. Energy efficient air conditioners with many new features are creating new interest in consumers to look at air conditioners as an item of utility rather than a luxury possession. Refrigerator makers ramping up their capacities at new locations will reach scale consuming significant quantities of several specialty grades of GPPS and HIPS.

Appliances sector majors are seeing rapid growth in demand from smaller cities out pacing the demand from metros. This has pushed appliance manufacturers to focus on rural and semi-urban markets. With increased marketing in rural areas and semi-urban markets the demand for appliances is bound to see a healthy jump in volumes which augurs well for the Company. Non-OEM segments like stationery, writing instruments, air coolers etc. are also expanding their capacities for domestic as well as exports markets.

Certain single use plastic items are being phased out from July 1, 2022. Estimated consumption of PS for the banned SUPs segment is about 16,000 MTA. Growth in the OEM and Non-OEM segments, however, is likely to make up for the loss of market due to ban of certain SUPs.

**Expandable Polystyrene (EPS)**

EPS market grew by 15.8% in the country despite 2nd wave of Covid causing some disturbances in demand pattern in first half of the year. Company's sales volumes increased by only 4.9% due to supply side constraints caused by floods in Chennai. Company's quality products, professional customer service both commercial & technical helped in maintaining a high share of the growing segments like Appliance Packaging, Fish boxes etc.

**Outlook**

Company expects overall EPS market to grow at about 8% in 2022-23 and hopes to increase market share by bringing more customers in its fold, particularly the new entrants in the Appliances segment. Expansion of PLI scheme introduced by Government of India particularly in appliances segment shall help Company to further strengthen its already strong position. Continuing efforts in promoting EIFS (External Insulation Finishing System) is expected to yield handsome business in building insulation sector in the coming years. Increased usage of EPS in construction and Insulation in the country will help grow market for EPS. Globally 50% of EPS is used in the construction sector whereas in India it is only about 12% of total sales.

**Speciality Polymers & Compound Business (SPC)**

SPC business grew marginally this year, due to unprecedented increase in price of various additives and constraints in availability due to shipping difficulties. While customer demand for ABS compounds was brisk, production had to be curtailed due to long delays in ABS shipments thus restricting our volumes of ABS Compounds. PS/PP compounds had better demand during the year from Appliances, Battery & Electrical segments. Revival of SMMA Compounds business using imported MS resin was started during the year. Overall growth of compounds and masterbatches business was 5.6% during the year under review. Company, however, moved up in the value chain for its masterbatches and compounds business thus improving its margins.

Company managed reasonably good number of new approvals for both Compounds and Master Batches during the year despite movement restrictions during 2nd and 3rd wave of Covid-19 pandemic. With withdrawal of Covid restrictions, it is anticipated business development activities & field trials will pick up speed which will give additional volumes. ABS Compounds volume also is expected to normalize. Company anticipates a sale volume growth of about 15 % in 2022-23.

**Extruded Polystyrene Boards (XPS)**

The year under review saw brisk growth in the XPS business of the Company, registering an impressive growth of 50% over previous year. Company successfully participated in the prestigious project of 14.2 km long tunnel of Zojila pass connecting Srinagar and Leh through Dras & Kargil.

XPS was in demand for insulation of Refrigerated Trucks transporting Covid vaccine as well as temperature-controlled insulated boxes made of XPS for domestic use as well for export of vaccines. Other building construction projects delayed due to the 2 waves of Covid picked up speed in the rest of the year.

XPS was greatly used for insulation by certain eminent educational institutions and commercial establishments during 2021-22. Company continues to arrange for training of technicians for insulations of XPS boards and EIFS.

**Outlook**

With the growing emphasis on reducing carbon footprint, energy conservation in buildings, both commercial & residential assumes renewed importance. This augurs well for your Company's XPS business. A major E-Commerce Company has selected Company's XPS boards for insulating its warehouses located across the country which will get implemented in the course of 2022-23. The Company is investing in a new line with capability to produce wide width boards which are currently being imported. Procurement of necessary additives for production of XPS boards is becoming difficult due to current geo-political conditions, resurgence of Covid-19 pandemic in China and shipping disruption. Company expects to grow XPS business by 15% during 2022-23 subject of course to regular availability of additives.

**Acrylonitrile Butadiene Styrene (ABS)**

Company is implementing Mass ABS project with two lines of 70 KTA each aggregating 140 KTA at its complex at village Amdoshi, Dist. Raigad, Maharashtra. Company has entered into an agreement for licence and basic engineering design for Line I of 70 KTA with M/s. Versalis – ENI Chemicals Group. Discussions with licensor is in progress for second line of 70 KTA. First Line is scheduled to go on stream by June 2024 and second Line is planned for completion by March 2025. This is state-of-art technology for production of Mass ABS with low carbon foot print achieved via strong reductions across emissions and energy consumption. Applications of Mass ABS include automobiles, household appliances, electronics, medical appliances and furniture.

Company is currently importing and marketing natural ABS and also manufacturing value added ABS compounds to understand needs of our customers. Company will continue to develop and expand customer reach for same.

**EXPORTS**

Company's export activities continue to be in near hibernation mode to prioritize the domestic market needs. However, excellent relationship maintained with overseas customers helped tide over the low domestic demand period of 2nd wave of Covid in Q1 of the year under review. Company's exports volumes of all products put together though increased by 11% during the year but continue to be much lower than the normal exports achieved by the Company in the pre-Covid period. Company's regular overseas customers keenly await re-start of our supplies. Post expansion Company may, however, face competition in future in export markets in commodity grades of PS from Chinese suppliers where new PS plants are being built. Company is preparing to face this competition by developing customer base for speciality grades of PS.

**SUSTAINABILITY INITIATIVES**

Company's core values include ESG parameters in all areas of its operations. Company believes that ESG is essential to create long term value for its stakeholders and also to promote sustainability. Company's operations are based on the principles of fairness, empathy, integrity and effectiveness. Wellbeing of its employees and neighborhood is one of the core values of the Company. Company undertakes, either directly or through other foundations, welfare activities in nearby villages to its manufacturing facilities in the areas of health, hygiene and education as part of CSR activities.

Considering the importance of climate change and environment issues as business risk, Company has started partly using renewable energy. Company is evaluating options to implement renewable energy project for its captive consumption to reduce its carbon footprint. Company proposes to fully recycle its waste water for use in its activities at both the manufacturing locations.

The Securities and Exchange Board of India has put together a comprehensive framework for Business Responsibility and Sustainability Report (BRSR) which requires measurable quantitative details to facilitate better bench making. BRSR

is voluntary for top 1000 listed companies for FY 2021-22 but mandatory from FY 2022-23 onwards. Company has, however, decided to voluntarily adopt the BRSR for FY 2021-22. BRSR is attached with this annual report forming its integral part.

Company continues to encourage organised collection of post-consumer EPS packaging waste by working with municipal corporations, EPS processors and appliance retailers, hospitals & pharma companies to create circular economy in PS & EPS. With active support from the Company, an NGO has taken up collection of EPS waste from housing societies in western suburbs of Mumbai as well as appliance retailers and other major sources of post consumer waste and arrange for recycling. One of the challenges in the EPS recycling is the cost involved in the transportation of post consumer waste to recycling units. Company is actively involved with Indian Centre for Plastics in the Environment (ICPE) in developing a mobile compactor unit as a pilot project which will reduce the volume of the EPS waste at the point of collection. Once the pilot project is successfully established, it will be replicated across the country.

Company has increased the use of bigger sized (30 KL) tank lorries for movement of liquid Styrene Monomer and also large trucks carrying load of 25-30 MT per trip on all long distance routes for transportation of finished products so as to reduce carbon emissions. Company is also using railways for movement of some of its products to eastern part of the country.

Company is installing zero liquid discharge system at both plant locations to be operational by 2nd quarter of F.Y. 2022-23. This shall ensure reduction in water intake for its processes and significantly lower effluent discharge.

Company is using state of art technology for its under implementation Mass ABS project ensuring low carbon footprint with strong reductions across emissions and energy consumption.

**CAPITAL EXPENDITURE**

Company incurred a total expenditure of ₹ 170 crores during the year under review for ongoing projects related to PS and EPS at Amdoshi & Manali Plants. This also includes hardware renewal and replacement of some of the aging hardware. Multiple waves of Covid-19 Pandemic and consequent labour shortages, supply, and logistic problems, etc. are likely to delay the ongoing expansions of EPS (Amdoshi, Maharashtra and Manali, Tamil Nadu) to July 2022. Barring unforeseen circumstances, completion of 4th line of PS is likely by end August 2022, mainly due to delay in imported equipment from USA. This will complete bulk of the current expansions. A minor revamp in one of the existing PS line is scheduled after completing the present PS expansion and opportune time to shut-down for hook up.

Capital expenditure proposed to be incurred during 2022-23 towards ongoing PS, EPS expansion and the proposed EPS Phase 2, SPC, XPS expansions, Mass ABS Project (Line 1 and 2) is estimated at about ₹ 350 crores. The proposed EPS Phase-2 expansion second line of XPS and addition of new

SPC lines are estimated to be completed by March 2025.

## FINANCE

Company continues to remain debt free. Available surplus funds are judiciously deployed for optimum returns and minimum risk to the principal investments of the Company.

Capital expenditure of ₹ 170 crores incurred during the year was met from internal accruals. All capital expenditure planned to be incurred as on date is proposed to be funded from Company's own funds.

Company received order dated 10.03.2022 from NCLT approving scheme for reduction of capital by way of reduction of nominal value of each share from ₹ 10/- per share to ₹ 4/- per share. The total outgo on this account is ₹ 56.41 crores which was transferred to an Escrow account for distribution to eligible shareholders on the record date.

CRISIL Ratings Ltd. has assigned long term rating at CRISIL AA-/Stable (Assigned) and short term rating at CRISIL A1+ (Assigned) for Company's Working Capital facilities from banks.

India Ratings and Research (Ind-Ra) upgraded Company's long term issue rating to IND AA-/Stable/IND A1+ from IND A+ with Stable outlook and confirmed short term rating at IND AA-/Stable/IND A1+ for Company's fund and non-fund based working capital facilities from banks.

### Reduction of Share Capital

The Board of Directors of the Company in their meeting held on March 12, 2021 recommended a scheme of reduction of paid up equity share capital of the Company from ₹ 10/- per share nominal value to ₹ 4/- per share nominal value, without reducing the number of shares. The scheme was approved by the shareholders vide special resolution dated 12.08.2021 and subsequently the scheme was sanctioned by NCLT, Mumbai vide order dated 10.03.2022. Thus the paid up share capital of the Company reduced from existing ₹ 9402.07 lacs to ₹ 3760.83 lacs i.e. by ₹ 56.41 crores. Accordingly, every eligible shareholder as on the record date viz. 8th April, 2022 was paid the due amount on account of said reduction in the nominal values of shares held. The process for re-listing of new shares with nominal value of ₹ 4/- each with BSE and NSE is in process.

### Changes in Key Financial Ratios:

Pursuant to the provisions of Regulation 34(3) of SEBI (LODR) Regulation 2015 read with Schedule V part B(1) details of changes in Key Financial Ratios are given as hereunder :

Sr. No.	Ratio		Year Ended	
			31/3/2022	31/3/2021
1	Debtors Turnover Ratio	Times	12.63	10.06
2	Inventory Turnover	Times	12.52	8.03
3	Interest Coverage Ratio	Times	196.31	143.80
4	Current Ratio	Times	2.48	2.20
5	Debt Equity Ratio *	Times	-	-

Sr. No.	Ratio		Year Ended	
			31/3/2022	31/3/2021
6	Operating Profit Margin	%	18.49	21.53
7	Net Profit Margin	%	13.10	14.89
8	Return on Net Worth	%	51.41	54.94
9	Return on average capital employed	%	67.46	71.89

\* The Company is Debt free

Company's overall performance during 2021-22 has seen improvement over previous year with higher total volume sales and increased margins. Better working capital management helped improve debtors and inventory turnover ratio. Decline in operating profit margin and net profit margin in percentage terms happened due to higher raw material prices. Investments in MFs/ FDs of surplus funds with the Company has affected the return on net worth.

## RISK MANAGEMENT

Company continuously monitors the risks associated with its business and operations including timely identification of new risks, if any, and plans to mitigate risks so as to avoid any adverse impact on the Company's operations. Company has in place a risk management policy which is reviewed under the guidance of Risk Management Committee and Board. Committee met twice during the year to review the risk to the business of the Company and mitigation plan thereof.

International pricing and demand / supply risk are inherent in the import of Styrene Monomer, the main raw material. Company enters into annual procurement contracts for imports of Styrene Monomer. A part of SM requirement is also sourced on spot basis. On the sale side, some part of Company's sale is on annual contracts basis tied into monthly SM pricing which allows for equitable sharing of the volatility in SM pricing. Department of Chemicals and Petrochemicals has mandated BIS standards on all imports of Styrene Monomer from end October, 2022. This could be a cause of concern if SM suppliers do not register with BIS conforming to the standards specified. Company is in discussion with manufacturer, suppliers and is confident that SM producers would comply with this order. However, there is uncertainty as to supplies through trading houses.

To overcome risks of cost and pricing due to foreign exchange volatility, Company hedges part of open foreign exchange exposure relating to imports. Company also has a natural hedge to the extent of its exports and pricing its products locally on import parity basis. Foreign currency exchange rates being dynamic, Company constantly monitors FX movements to decide on proper response measure.

Company has adequately insured its assets on reinstatement basis with adequate loss of profit insurance policy. Company has also insured itself against cyber and other crimes. The management periodically reviews the adequacy of the insurance cover.



Security of data and uptime of system is essential for our business. Company has instituted the best practices adopted across the industry to achieve the same. Company has co-located all its servers in one of the best-in-class Tier IV Data Centres. Disaster Recovery Site is in place. Tools like antivirus, antispymware, antimalware, EDR (Endpoint Detection & Response) are installed and are regularly updated on all the endpoints for protection against any security threats. Firewall is in place to provide protection to the endpoints as well as to all the application servers, against threats through internet traffic, LAN or WAN. Company ensures the usage of licensed software products only on the Company-provided devices. Apart from this, Company gets IT Security infrastructure audited by the 3rd party service providers periodically by using ethical hacking tools. Issues found in the audit are reviewed and mitigated as per the recommendation, followed by re-audit for effective mitigation.

**HUMAN RESOURCES / INDUSTRIAL RELATIONS**

Human Resources are one of the most important ingredients to fuel future growth and progress of the organization. The Company therefore strives to align human resource policy and initiatives to meet business plans. Training of employees to maintain high level of motivation is an ongoing process. Career development opportunities are provided at all levels and across all functions. Industrial relations at all the units remained cordial during the year.

**INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY**

The internal control systems for safeguarding and protecting assets of the Company against loss from unauthorized use or disposition are in place.

Regular internal audits, review by management and documented policies, guidelines and procedures supplement the internal controls which are designed to ensure that financial and other records are reliable for preparing financial information and other data and for maintaining accountability of assets.

**HSE MANAGEMENT, AWARDS & RECOGNITION**

**Health Safety and Environment:**

Both the Environmental Management System and Occupational Health and Safety Management System continued to be maintained by the Company as per the ISO 14001:2015 Standard and ISO 45001:2018 Standard, respectively.

Company has continued implementation of HSE Management Systems under the Guiding Principles of declared Integrated Management System policy (Occupational Health and Safety Policy’ and ‘Environmental Policy’). HSE Performance Index for the period under review stood to be in “Excellent” Range. The Company has completed 7837 accident-free days as on March 31, 2022, which amounts to 20.50 million man-hours of accident-free operations.

**Awards and Recognition**

Company has achieved the following recognitions and awards during the period under review:

- Golden Peacock Occupational Health & Safety Award 2021
- Maharashtra Safety Award Competition - 2020 organized by National Safety Council Maharashtra Chapter for Lowest Accident Frequency Rate (for the Factories working more than Six Lakh up to Ten Lakh man-hours in a year)
- Maharashtra Safety Award Competition - 2020 organized by National Safety Council Maharashtra Chapter for Longest Accident-Free Period. (For the Factories working more than Six Lakh up to Ten Lakh man-hours in a year)
- Greentech Effective Safety Culture Award 2021
- Winner - 21st Annual Greentech Environment Award 2021 - for Outstanding Achievement in Environment Protection.
- 20th Annual Greentech Safety India Award 2021
- Prashansa - Patra, Safety Awards 2021, National Safety Council of India

**CAUTIONARY STATEMENT**

Statements in the Management Discussion and Analysis describing Company’s objectives, estimates, expectations, or projections may constitute “forward looking statements”, within the meaning of applicable laws and regulations. Actual results may differ materially from those either expressed or implied in the statements.

Important factors that could make a difference to Company’s operations include economic conditions affecting demand/ supply and price conditions in the domestic and international markets, changes in the Government regulations, tax laws / other statutes and other incidental factors.

## CORPORATE GOVERNANCE REPORT – 2021-2022

### 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Company believes that good Corporate Governance is the corner stone for a truly sustainable Company. Corporate Governance is a set of principles, processes, and systems to be followed by the Directors, Management and all Employees of the Company for uprisng the shareholder value while keeping in view the interest of other stakeholders as well. Set procedures, guidelines and practices have been evolved to ensure timely disclosures of information regarding the financials, performance, significant events and corporate governance etc. of the Company. The Company has adopted a code of conduct for its Board, Key Managerial Personnel (KMPs) and Senior Management Employees which has been communicated to them and they have affirmed the compliances of the same through their annual disclosures to the Company.

Company places emphasis on transparency across the entire spectrum of its business as well as in discharging its Corporate Social Responsibility activities in a meaningful and conducive manner, as a conscientious corporate citizen and is fully committed to the principles of integrity, transparency and compliance with applicable regulations in its all dealings with the Government, Customers, Suppliers, Employees and other Stakeholders. In line with better Corporate Governance the Company has voluntarily adopted BRSR requirements of SEBI for Financial Year 2021-2022 though not mandatory for this fiscal.

The Directors fully endorse and support the Corporate Governance practices in accordance with the provisions of Listing Regulations of SEBI.

### 2. BOARD OF DIRECTORS AND GOVERNANCE FRAMEWORK:

#### (I) Composition & Category of Directors

The Company's Board has an optimum combination of Executive and Non-Executive Directors including a Woman Director. The Board of Directors as at the end of March 31, 2022 comprised of 10 Directors, out of 10 Directors, 4 Non- Independent, Non-Executive Directors, 1 Whole-time Director and 5 Non-Executive Independent Directors. The Manager and the Whole-time Director conducts the day-to-day Management of the Company subject to the supervision and control of the Board of Directors. The Directors bring to the Board a wide range of experience and skills required for its successful business operations.

The composition of the Board is in conformity with Regulation 17 of Listing Regulations read with Section 149 of the Companies Act, 2013 ("the Act").

The composition of the Board and Other Directorship / Committee Position, etc. as of March 31, 2022, is given below.

Name of the Director	Category of Directorship	**No. of outside Directorship (excluding SPL)		*No. of Chairpersonship / Membership in other Board / Committees (including SPL)		No. of Shares Held	Relationship with other Directors
		Public	Private	Chairperson	Member		
M. P. Taparia DIN No. 00112461	Chairperson (Non-Executive, Non-Independent / Promoter Director)	2	1	1	1	37733	Brother of Shri B. L. Taparia and uncle of Shri S. J. Taparia
Rajan B. Raheja DIN No. 00037480	Non-Executive, Non-Independent / Promoter Director	3	10	–	1	400	–
B. L. Taparia DIN No. 00112438	Non-Executive, Non-Independent	2	1	–	–	4834	Brother of Shri M. P. Taparia and uncle of Shri S. J. Taparia
S. J. Taparia DIN No. 00112513	Non-Executive, Non-Independent	2	1	–	2	37733	Nephew of Shri M. P. Taparia and Shri B. L. Taparia
R. Kannan DIN No. 00380328	Non-Executive, Independent	1	–	1	2	–	–
M. S. Ramachandran DIN No. 00943629	Non-Executive, Independent	2	–	–	1	–	–
Ameeta Parpia DIN No. 02654277	Non-Executive, Independent	4	1	4	5	54501	–
Dr. S. Sivaram DIN No. 00009900	Non-Executive, Independent	5	–	2	–	–	–
Rajeev Pandia DIN No. 00021730	Non-Executive, Independent	6	–	4	2	–	–
K V Mujumdar DIN No.08866096	Whole Time Director	–	–	–	–	3000	–

**Notes :**

\* Includes only Audit Committee and Stakeholders' Relationship Committee in all Public Limited Companies (whether listed or not) and excludes Private Limited Companies, Foreign Companies and Section 8 Companies.

\*\* Does not include Directorship in Foreign Companies

Except payment of sitting fee for attending the meeting(s) which is well within the threshold limit set by the Board, there is no pecuniary relationship or transaction between the Non-Executive Directors and the Company during the financial year 2021-2022.

**Details of Directorship held by the Directors of the Company in other Listed Companies**

Name of Director	Directorship held	Category of Directorship
M. P. Taparia DIN No. 00112461	The Supreme Industries Limited	Promoter & Managing Director
Rajan B. Raheja DIN No. 00037480	Exide Industries Limited Prism Johnson Limited	Non-Executive & Non-Independent Director Non-Executive & Non-Independent Director
B. L. Taparia DIN No. 00112438	The Supreme Industries Limited	Promoter & Non-Executive Director, Chairperson
S. J. Taparia DIN No. 00112513	The Supreme Industries Limited	Promoter & Executive Director
R. Kannan DIN No. 00380328	The Supreme Industries Limited	Non-Executive & Independent Director
M. S. Ramachandran DIN No. 00943629	Ester Industries Ltd. ICICI Prudential Life Insurance Co. Ltd.	Non-Executive & Independent Director Non-Executive & Independent Director
Ameeta Parpia DIN No. 02654277	Prism Johnson Limited Hathway Cable And Datacom Ltd. The Supreme Industries Limited	Non-Executive & Independent Director Non-Executive & Independent Director Non-Executive & Independent Director
Dr. S. Sivaram DIN No. 00009900	Apcotex Industries Ltd. GMM Pfaudler Limited  Deepak Nitrite Limited	Non-Executive & Independent Director Non-Executive & Independent Director/ Chairman Non-Executive & Independent Director
Rajeev Pandia DIN No.00021730	GRP Ltd Excel Industries Ltd Thirumalai Chemicals Ltd Ultramarine & Pigments Ltd The Supreme Industries Limited	Non-Executive & Independent Director Non-Executive & Independent Director Non-Executive & Independent Director Non-Executive & Independent Director Non-Executive & Independent Director

**(II) Skills / Expertise / Competencies of Board of Directors**

The Core skills / expertise / competencies as identified by the Board of Directors, with a view to ensure effective functioning of the Company and as possessed by its directors with respect to the Company's operational affairs, are stated as hereunder:

Name of Directors	Details of skills/competencies
Dr. S. Sivaram, Shri M. S. Ramachandran, Shri R. Kannan	Petrochemicals
Shri M. P. Taparia, Shri Rajan B. Raheja, Shri B. L. Taparia, Shri S. J. Taparia, Shri M. S. Ramachandran, Shri Rajeev Pandia	Business Management
Shri M. P. Taparia, Shri S. J. Taparia	Marketing & Operations
Shri Rajan B. Raheja, Shri. R. Kannan	Finance & Banking
Dr. S. Sivaram, Shri Rajeev Pandia	Industry Developments/Technological Advancement
Ms. Ameeta Parpia	Legal/CSR
Shri K V Mujumdar	Plant Operations

**(III) Board Procedure**

The Company complies with the requisite procedures mandated for conducting Board Meeting(s) as applicable to the Company in terms of the provisions of Secretarial Standard-1 and Companies Act, 2013.

The information as required under Schedule II Part A of the Listing Regulations 17(7) is made available to the Board. The Board also reviews, on a quarterly basis, the declaration made by the CFO and the Whole-Time Director of the Company regarding compliance with all applicable laws. The Manager and CFO have certified to the Board, inter-alia, the accuracy of financial statements and adequacy of internal controls for the financial reporting, in accordance with Regulation 17(8) read with Part B of Schedule II of Listing Regulations, for the financial year ended March 31, 2022. In addition to the information required under Regulation 17(7) read with Part A of Schedule II of the Listing Regulations, which is required to be placed before the Board, the Directors are also kept informed of major events taking place with the Company and approvals obtained, whenever necessary.

The Company has not entered into any materially significant transactions, during the year under review with any of the Promoters, Directors, and Senior Management Personnel etc. other than the transactions, if any, entered into in the ordinary course of Company's business and at arm's length basis.

**Declaration of Independence on Board**

Based on the confirmation/disclosures received from the Directors and on evaluation of the relationships disclosed, the Board opines that all the Non-Executive, Independent Directors are independent in terms of the provisions of Section 149(6) of Companies Act, 2013 and Regulation 16(1)(b) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and are independent of the management.

**(IV) Board Meetings**

During the year under review the Board met on 6 occasions i.e. April 30, 2021, July 01, 2021, July 19, 2021, October 20, 2021, January 21, 2022 and March 10, 2022. The maximum gap between two Board Meetings was less than 120 days. The minutes of the meetings of all the Board and Committees are circulated to all the Directors after incorporating the comments of the Directors.

**(V) Details of attendance of Directors**

The names and categories of the Directors on the Board, their attendance at the Board meetings held during the year and at the last Annual General Meeting ("AGM") held through Video-Conferencing/ Other Audio-Visual Means

Name of the Director	Category of Directorship	Meetings held during the tenure of the Directors	Meetings Attended	Attendance at the Last AGM
M. P. Taparia	Chairperson (Non-Executive, Non-Independent / Promoter Director)	6	6	YES
Rajan B. Raheja	Non-Executive, Non-Independent / Promoter Director	6	6	YES
B. L. Taparia	Non-Executive, Non-Independent	6	6	YES
S. J. Taparia	Non-Executive, Non-Independent	6	6	YES
R. Kannan	Non-Executive, Independent	6	6	YES
M. S. Ramachandran	Non-Executive, Independent	6	6	YES
Ameeta Parpia	Non-Executive, Independent	6	6	YES
Dr. S. Sivaram	Non-Executive, Independent	6	5	YES
Rajeev Pandia	Non-Executive, Independent	6	6	YES
K. V. Mujumdar	Whole Time Director	6	6	YES

**(VI) Code of Conduct**

The Company has adopted a Code of Conduct pursuant to the provisions of Regulation 17(5)(a) of SEBI (LODR) Regulations, 2015 which has been approved by the Board of Directors. The code is applicable to all Directors and Senior Management Employees of the Company. This code has been posted on the Company's website [www.supremepetrochem.com](http://www.supremepetrochem.com)

**Declaration by the Manager:**

During the year under review, all the Directors, and Senior Management Employees of the Company have affirmed their adherence to the provisions of the code of conduct of Company applicable for its Board Members and Senior Management Employees.

**N. Gopal**  
Manager

Place : Mumbai  
Date : April 20, 2022

**(VII) Code of Internal Procedure & Conduct for Regulating, Monitoring & Reporting of Trading by Insiders**

The Company has adopted Code of Conduct for prevention of insider trading which is based on the SEBI - Prohibition of Insider Trading Regulations, 2015. The Company follows strict guidelines in respect of insiders' stock trading and related disclosures. The Company Secretary is designated as Compliance Officer to oversee the implementation thereof. Disclosures are obtained from the Directors and Designated Employees of the Company. Under the aforesaid code all the Directors, KMPs and Designated Employees are required to conduct all their dealings in securities of the Company only during valid trading window period after obtaining pre clearance from the Company, if applicable, as per the procedure described in the Company's Code for dealing in the securities of the Company.

**(VIII) Independent Directors**

Shri R. Kannan, Shri M. S. Ramachandran, Ms. Ameeta Parpia, Dr. S. Sivaram and Shri Rajeev Pandia were the Independent Directors on the Board of Directors of the Company as on March 31, 2022. The Independent Directors Shri R. Kannan, Shri M. S. Ramachandran, Miss Ameeta Parpia and Dr. S. Sivaram continue to serve on the Board and will hold office for a consecutive term up to September 21, 2024; however Shri Rajeev Pandia, Director will hold office for a consecutive term up to April 25, 2024, pursuant to the provisions of Section 149(10) of the Companies Act, 2013.

**Performance Evaluation Criteria for Independent Directors:**

The Criteria for performance evaluation for Independent Directors includes:

- (1) Attends meetings regularly.
- (2) Understands business regulatory competitive and social environment in which the Company operates.
- (3) Understands strategic issues and challenges confronting the Company.
- (4) Demonstrates a solid understanding of his / her responsibility as a Director including his / her statutory and fiduciary roles and acts appropriately in his / her governance role.
- (5) Attends meetings well prepared to evaluate and / or add value to Agenda items presented to the Board.
- (6) Brings useful outside information and perspective to Board deliberations.
- (7) Contributes meaningfully to Board discussions, makes useful suggestions, provides strategic insight and directions.
- (8) Demonstrates an ability to identify the cost benefits and implications of Board decisions.
- (9) Demonstrates a strong understanding of financial statements, ratios and / or indices of performance and can see the issues behind the numbers.
- (10) Appropriately questions data and information presented to the Board for its deliberations.
- (11) Listens effectively to the ideas of others and view-points and encourages participation/contribution from other Directors.
- (12) Works effectively with fellow Directors to build consensus and manages conflict constructively.
- (13) Awareness about the developments regarding corporate governance.

**Attendance of Independent Directors' Meeting:**

Members	Category of Membership	Meetings held	Meetings Attended
M. S. Ramachandran	Chairperson (Non-Executive Independent )	1	1
R. Kannan	Non-Executive, Independent	1	1
Ameeta Parpia	Non-Executive, Independent	1	1
Dr. S. Sivaram	Non-Executive, Independent	1	1
Rajeev Pandia	Non-Executive, Independent	1	1

**(IX) Evaluation of Directors**

The Board conducted evaluation of Independent Directors pursuant to the provisions of Regulation 17(10) of SEBI (LODR) Regulations, 2015 and found them duly functioning with respect to their roles, scopes and functions and suitable to continue them as Independent Directors of the Company. The Independent Directors were also found to be fulfilling their independence criteria as stipulated under the provisions of Section 149(6) of Companies Act, 2013 and Regulation 16(1)(b) of SEBI (LODR) Regulations, 2015.



During the year under review, the Independent Directors held their separate meeting on January 21, 2022 pursuant to the provisions of Section 149(8) of Companies Act, 2013 (read with Schedule IV thereto) and Regulation 25(3) and (4) of SEBI (LODR) Regulations, 2015 and evaluated the performance of Non-Independent Directors, the Board as a whole and the Chairperson of the Company and found them suitable to continue in the Company in their existing roles and capacity.

### 3. AUDIT COMMITTEE:

The Audit Committee's composition and terms of reference meets the requirements of provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

#### (I) Brief description of terms of reference

The terms of reference of the Audit Committee covers the areas mentioned in Section 177 of the Act and Regulation 18 read with Part C of Schedule II to the Listing Regulations. The terms of reference of the Audit Committee, inter-alia are as follows:

- (1) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- (2) Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- (3) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (4) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - (a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;
  - (b) Changes, if any, in accounting policies and practices and reasons for the same;
  - (c) Major accounting entries involving estimates based on the exercise of judgment by management;
  - (d) Significant adjustments made in the financial statements arising out of audit findings;
  - (e) Compliance with listing and other legal requirements relating to financial statements;
  - (f) Disclosure of any related party transactions;
  - (g) Modified opinion(s) in the draft audit report
- (5) Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
- (6) Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter;
- (7) Review and monitor the auditor's independence and performance and effectiveness of audit process;
- (8) Approval or any subsequent modification of transactions of the Company with related parties;
- (9) Scrutiny of inter-corporate loans and investments;
- (10) Valuation of undertakings or assets of the Company, wherever it is necessary;
- (11) Evaluation of internal financial controls and risk management systems;
- (12) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (13) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (14) Discussion with internal auditors of any significant findings and follow up there on;



- (15) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- (16) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern; whenever felt required by the Committee.
- (17) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (18) To review the functioning of the whistle blower mechanism;
- (19) Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- (20) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- (21) Review compliances of Company with respect to the SEBI (Prohibition and Insider Trading) Regulations, 2015 on annual basis.
- (22) Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc. on the listed entity and its shareholders.
- (23) The Audit Committee mandatorily reviews the following:
  - (a) Management discussion and analysis of financial condition and results of operations;
  - (b) Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
  - (c) Letters, if any, issued by the statutory auditors regarding internal control weaknesses;
  - (d) Internal audit reports relating to internal control weaknesses;
  - (e) The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee and
  - (f) Statement of deviations:
    - (i) Quarterly statement of deviation(s) including report of monitoring agency submitted to stock exchange(s) in terms of Regulation 32 (1), if applicable
    - (ii) Annual statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice in terms of Regulation 32 (7), if applicable
- (24) The Audit Committee functions under the overall supervision of the Board of Directors of the Company and the Company Secretary of the Company acts as the Secretary to the Committee.
- (25) The Audit Committee has the following powers:
  - (i) to investigate any activity within its terms of reference;
  - (ii) to seek information from any employee;
  - (iii) to obtain outside legal or other professional advice and
  - (iv) to secure attendance of outsiders with relevant expertise, if it considers necessary.

**(II) Composition of the Committee, attendance of members at the meeting and other details**

The Audit Committee of the Company is constituted in accordance with the provisions of Regulation 18 of the Listing Regulations and the provisions of Section 177 of the Act.

During the year under review the Audit Committee met on 5 occasions i.e. April 30, 2021, June 28, 2021, July 19, 2021, October 20, 2021 and January 21, 2022. The gap between two Audit Committee Meetings did not exceed 120 days. Necessary quorum was present at the above Meetings.

The composition of the Audit Committee and the details of the meetings attended by its members during the Financial Year ended March 31, 2022 are as under:

Members	Category of Membership	Meetings held	Meetings Attended
R. Kannan	Chairperson (Non-Executive, Independent)	5	5
S. J. Taparia	Non-Executive, Non-Independent	5	5
Rajeev Pandia	Non-Executive, Independent	5	5
Ameeta Parpia	Non-Executive, Independent	5	5

Shri R. Kannan, Chairperson of the Audit Committee, was present at the AGM of the Company held on July 01, 2021.

#### 4. NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee (NRC) composition and terms of reference meet the requirements of provisions of Section 178(1) of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

##### (I) Brief description of terms of reference

The terms of reference of the NRC covers the areas mentioned in Section 178 of the Act and Regulation 19 read with Part D (A) of Schedule II to the Listing Regulations. The terms of reference of the NRC, inter-alia are as follows:

- (1) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel (KMPs) and other Employees.
  - (a) For every appointment of an independent director, the NRC shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
    - (i) use the services of an external agencies, if required;
    - (ii) consider candidates from a wide range of backgrounds, having due regard to diversity; and
    - (iii) consider the time commitments of the candidates.
- (2) Formulation of criteria for evaluation of Independent Directors and the Board of Directors;
- (3) Devising a policy on diversity of Board of Directors;
- (4) Identifying persons who are qualified to become Directors and who may be appointed in Senior Management (viz. comprised of the members of core management team of the Company one level below Chief Executive Officer / Managing Director / Whole Time Director / Manager in accordance with the criteria laid down and recommend to the Board for their appointment / removal;
- (5) Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors; and
- (6) Recommend to the Board, all remuneration, in whatever form, payable to senior management.

##### (II) Composition of the Committee, attendance of members at the meeting and other details

The NRC functions under the overall supervision of the Board of Directors of the Company. The Company Secretary of the Company acts as the Secretary to the Committee.

During the Year under review the NRC met on 1 occasion i. e. October 20, 2021. The composition of the NRC and details of its meeting attended by its members during the financial year ended March 31, 2022, are given below:

Members	Category of Membership	Meetings held	Meetings Attended
R. Kannan	Chairperson (Non-Executive, Independent)	1	1
S. J. Taparia	Non-Executive, Non-Independent	1	1
Ameeta Parpia	Non-Executive, Independent	1	1



**5. REMUNERATION OF DIRECTORS :**

Details of remuneration paid during the financial year 2021-2022

a) Non-Executive, Non-Independent/Independent Directors

Name of the Directors	Category of Directorship	Nature of Remuneration (viz. Sitting Fees) (₹)	Amount Paid for corporate services of professional nature (₹)
M. P. Taparia	Chairperson (Non-Executive, Non-Independent / Promoter Director)	7,30,000/-	-
Rajan B. Raheja	Non-Executive, Non-Independent / Promoter Director	4,50,000/-	-
B. L. Taparia	Non-Executive, Non-Independent	4,50,000/-	-
S. J. Taparia	Non-Executive, Non-Independent	7,20,000/-	-
R. Kannan	Non-Executive, Independent	10,40,000/-	-
M. S. Ramachandran	Non-Executive, Independent	8,30,000/-	5,00,000/-
Ameeta Parpia	Non-Executive, Independent	8,20,000/-	-
Dr. S. Sivaram	Non-Executive, Independent	4,50,000/-	-
Rajeev Pandia	Non-Executive, Independent	8,40,000/-	-
<b>TOTAL</b>		<b>63,30,000/-</b>	<b>5,00,000/-</b>

b) Whole Time Director

Name of the Director	Category of Directorship	Elements of Remuneration	Amount (₹)		Performance Linked Incentive (PIL)
			Fixed	Variable	
K. V. Mujumdar	Whole Time Director	Salary, Allowances, Bonus, Retirement Benefits & Performance Incentives	95,06,616/-	15,47,552/-	(PIL) criteria linked to the Company and Employee's performance
<b>TOTAL</b>		-	<b>1,10,54,168/-</b>		-

**Disclosure under Regulation 36(3) of SEBI (LODR), Regulations, 2015 read with Schedule V(C)(6) thereto:**

Shri K V Mujumdar, Whole Time Director:

- (i) Service contract five years w.e.f 19.09.2022
- (ii) Notice period 3 months
- (iii) No severance fee payable.

The criteria for making payment to Non-Executive Directors are displayed on Company website [www.supremepetrochem.com](http://www.supremepetrochem.com).

The Company does not make any payment to Non-Executive Directors other than sitting fees, duly approved by the Board, for attending meetings of the Board/ Committees.

The Company does not have any Employee Stock Option Scheme.

**6. STAKEHOLDERS RELATIONSHIP COMMITTEE:**

The Stakeholders' Relationship Committee has been constituted by the Board in compliance with the requirements of Section 178 (5) of the Act and Regulation 20 of the SEBI (LODR) Regulations, 2015.

**(I) Brief description of terms of reference**

The terms of reference of the Stakeholders Relationship Committee (SRC) covers the areas mentioned in Section 178 (5) of the Act and Regulation 20 read with Part D (B) of Schedule II to the Listing Regulations. The terms of reference of the SRC, inter-alia are as follows:

- (a) Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general

meetings etc;

- (b) Approve issue of duplicate share certificates.
- (c) Review of measures taken for effective exercise of voting rights by shareholders.
- (d) Deal suitably related to waiver of documents/requirements prescribed in cases of:
  - i) Transmission of shares
  - ii) Issue of duplicate share certificates
  - iii) Recording of updation of signatures by shareholders
- (e) Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/ statutory notices by the shareholders of the Company.

**(II) Composition of the Committee, attendance of members at the meeting and other details**

The details of Stakeholders Relationship Committee Meetings (SRC) held during the year under review is listed below:

During the financial year 2021-22, the SRC met 12 times i.e., on April 01, 2021, May 04, 2021, July 14, 2021, August 23, 2021, September 17, 2021, November 30, 2021, December 13, 2021, January 08, 2022, January 24, 2022, February 18, 2022, March 08, 2022, and March 17, 2022.

The composition of the SRC and the details of the meetings attended by its members during the financial year ended March 31, 2022, are as under:

Members	Category of Membership	Meetings held	Meetings Attended
M. P. Taparia	Chairperson (Non-Executive, Non-Independent / Promoter Director)	12	12
Rajan B. Raheja	Non-Executive, Non-Independent / Promoter Director	12	8
S. J. Taparia	Non-Executive, Non-Independent	12	12
Ameeta Parpia	Non-Executive, Independent	12	8

The SRC also oversees the performance of the Registrar and Transfer Agent and recommends measures for overall improvement in the quality of Investors' service.

Shri D.N.Mishra, Company Secretary is the Compliance Officer of the Company.

During the year under review, the Company received 381 complaints including complaints through the Stock Exchanges and the Securities and Exchange Board of India (SEBI) and were resolved appropriately within due period. There were NIL pending complaints as on March 31, 2022.

**7. FINANCE COMMITTEE:**

The Company has constituted an independent Finance Committee of Directors on July 26, 2005.

**(I) Brief Description and the terms of reference**

- (a) Borrow moneys (including fund based and non fund based) from banks or any other source including temporary loans;
- (b) Authorisation for creation of security on the Company's assets to secure the borrowings;
- (c) Authorisation to invest temporary surplus funds in money market investments and delegate financial powers for approved capital expenditure and
- (d) Opening/ Closing of bank accounts and authorise officials of the Company for operating of bank accounts.

**(II) Composition of the Committee, attendance of members at the Meeting and other details**

During the year under review the Finance Committee met on 6 occasions i.e. April 30, 2021, May 14, 2021, July 12, 2021, November 02, 2021, January 06, 2022 and February 02, 2022. Requisite quorum was present at the Meetings.

The composition of the Finance Committee and the details of the meetings attended by its members during the financial year ended March 31, 2022, are as under:



Members	Category of Membership	Meetings held	Meetings Attended
M. P. Taparia	Chairperson (Non-Executive, Non-Independent / Promoter Director)	6	6
Rajan B. Raheja	Non-Executive, Non-Independent / Promoter Director	6	5
B. L. Taparia	Non-Executive, Non-Independent	6	1
S. J. Taparia	Non-Executive, Non-Independent	6	6
Ameeta Parpia	Non-Executive, Independent	6	4

**8. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:**

The Company has constituted a Corporate Social Responsibility Committee (CSR) on July 18, 2014 pursuant to the provisions of section 135 of Companies Act, 2013 (read with Schedule VII thereto).

**(I) Brief Description and the terms of reference**

- a) To formulate and recommend to the Board a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;
- b) To recommend the amount of expenditure to be incurred on the activities referred to in clause (a) above and
- c) Monitor the Corporate Social Responsibility Policy of the Company from time to time.

The Board has adopted the CSR Policy as formulated and recommended by the Committee. The CSR Policy is available on the website of the Company at [www.supremepetrochem.com](http://www.supremepetrochem.com)

**(II) Composition of the Committee, attendance of members at the Meeting and other details**

The CSR Committee functions under the overall supervision of the Board of Directors of the Company. During the year under review the CSR Committee comprising of the following Directors met on 2 occasions i.e. April 30, 2021 and January 21, 2022.

The composition of the CSR Committee and the details of the meetings attended by its members during the financial year ended March 31, 2022, are as under:

Members	Category of Membership	Meetings held	Meetings Attended
M. P. Taparia	Chairperson (Non-Executive, Non-Independent / Promoter Director)	2	2
Rajan B. Raheja	Non-Executive, Non-Independent / Promoter Director	2	2
Ameeta Parpia	Non-Executive, Independent	2	2

**9. RISK MANAGEMENT COMMITTEE:**

The Risk Management Committee of the Company is constituted on July 18, 2018 pursuant to the provisions of Regulation 21 of the SEBI (LODR) Regulations, 2015

**(I) Brief Description and the terms of reference**

The Risk Management Committee of the Company has been entrusted with the responsibility to devise, review, monitor and recommend changes, if any, to the Company’s Risk Management Policy covering the risk applicable to the Company’s business including cyber security.

The Company has formulated comprehensive Risk Management Policy which inter-alia provides for review and assessment of the risk elements, mitigation / minimization procedure and also lays down procedures to inform the Board in the specific and significant matters of risk and periodical review of the procedures is also undertaken to ensure that executive management controls the risks properly through properly defined framework.

To periodically review the Risk Management Policy, at least once in two years, including considering the changing industry dynamics and evolving complexity, in line with the requirement of SEBI (LODR) Regulations, 2015 vide Regulation 21.

The Risk Management Policy was approved by the Board on April 27, 2022 and next review of said policy will take place within 2 years.

The role of the Committee is as below:

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

The Risk Management Committee will perform its functions under the overall supervision of the Board of Directors of the Company and not more than 180 days shall elapse between two consecutive meetings.

**(II) Composition of the Committee, attendance of members at the Meeting and other details**

During the year under review the Risk Management Committee Directors and Senior Executives met on 3 occasions i.e. July 23, 2021, September 09, 2021, and March 08, 2022. Requisite quorum was present at the Meetings.

The composition of the Risk Management Committee and the details of the meetings attended by its members during the financial year ended March 31, 2022, are as under:

Members	Category of Membership	Meetings held	Meetings Attended
M. P. Taparia	Chairperson (Non-Executive, Non-Independent / Promoter Director)	3	3
M. S. Ramachandran	Non-Executive, Independent	3	3
R. Kannan	Non-Executive, Independent	3	3
N. Gopal	Manager	3	3
Rakesh Nayyar	CFO	3	3

**10. PROJECT COMMITTEE:**

The Company has constituted a Project Committee on January 21, 2021 to perform the functions, under the overall supervision of the Board of Directors of the Company.

**(I) Brief Description and the terms of reference and functions**

To evaluate capital expenditure schemes in excess of ₹ 50.00 crores to be undertaken by the Company in terms of its technical feasibility, selection of technology, if any, and financial viability.

**(II) Composition of the Committee, attendance of Members at the Meeting and other details**

The Project Committee will meet as many times as may be required in relation to new projects of the Company as per aforesaid criteria.

During the year under review the Project Committee comprised of the following Directors and Senior Executives met on 2 occasions i.e. November 03, 2021 and March 10, 2022.

The composition of the Project Committee and the details of the meetings attended by its members during the financial year ended March 31, 2022, are as under:



Members	Category of Membership	Meetings held	Meetings Attended
M. P. Taparia	Chairperson (Non-Executive, Non-Independent / Promoter Director)	2	2
M. S. Ramachandran	Non-Executive, Independent	2	2
R. Kannan	Non-Executive, Independent	2	2
Rajeev Pandia	Non-Executive, Independent	2	2
N. Gopal	Manager	2	2
Rakesh Nayyar	CFO	2	2
K. V. Mujumdar	Whole Time Director	2	2

**11. SUBSIDIARY COMPANY:**

The Company does not have any Subsidiary; hence it has not laid down any policy for determining material Subsidiaries

**12. GENERAL BODY MEETINGS:**

**(I) Location and time, where last three AGMs were held**

The last three Annual General Meetings of the Company were held as under:

Year	Location	Date	Time	Special Resolutions Passed
2018-2019	30th I. M. C., Walchand Hirachand Hall, Mumbai - 400 020	12.07.2019	4.00 p.m.	Yes
2019-2020	31st Meeting held through Video Conferencing (VC)/ Other Audio-Visual Means ("OVAM")	18.09.2020	4.00 p.m.	Yes
2020-2021	32nd Meeting held through Video Conferencing (VC)/ Other Audio-Visual Means ("OVAM")	01.07.2021	4.30 p.m.	Yes

**(II) Details of Special Resolutions, if any, passed at the last three Annual General Meetings:**

(i) At the 30th Annual General Meeting held on July 12, 2019

Four Special Resolutions were passed with respect to the re-appointment of Shri R. Kannan, Shri M. S. Ramachandran, Dr. S. Sivaram and Ms. Ameeta Parpia as Independent Directors of the Company for a further period of 5 years from 22.09.2019 to 21.09.2024 pursuant to the provisions of Section 149, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and 17(1A) of SEBI (LODR) Regulations, 2015, as applicable.

(ii) At the 31st Annual General Meeting held on September 18, 2020

Two Special Resolutions were passed pursuant to the provisions of 17(1A) of SEBI (LODR) Regulations 2015, with respect to the re-appointment of Shri M. P. Taparia and Shri S. J. Taparia as Non-Executive, Non-Independent Directors of the Company, who retire by rotation.

(iii) At the 32nd Annual General Meeting held on July 01, 2021

Four Special Resolutions were passed with respect to:

- a) Re-appointment of Shri B. L. Taparia – Non-Executive, Non-Independent Director of the Company, pursuant to the provisions of Section 17 (1A) of SEBI (LODR) Regulations, 2015 for having exceeded 75 years of age.
- b) Re-appointment of Shri N. Gopal as Manager of the Company pursuant to Section 196, 197 and 203 and other applicable provisions, if any, of the Companies Act, 2013 for a period of 3 years w.e.f. 01.04.2021 to 31.03.2024, for having exceeded 70 years of age.
- c) Appointment of Shri K. V. Mujumdar, as a Whole Time Director of the Company pursuant to Section 196, 197 and 203 and other applicable provisions, if any, of the Companies Act, 2013 for a period of 5 years w.e.f. 19.09.2020 to 18.09.2025, who may exceed 70 years of age during tenure of his Directorship of the Company.
- d) Approval pertaining to related party transactions pursuant to the Provisions of Section 188 of the Companies Act, 2013.



**(III) Details of Special Resolutions passed through postal ballot, the persons who conducted the postal ballot exercise, details of the voting pattern and procedure of postal ballot:**

- a. The Company had sought the approval of the shareholders by way of a Special Resolution through Notice of Postal Ballot dated July 05, 2021 for reduction of Share Capital of the Company, which was duly passed and the results of which were announced on August 13, 2021
- b. The Company had sought the approval of the shareholders by way of a Special Resolution through Notice of Postal Ballot dated February 17, 2022 for creation of security on the properties of Company both present and future in favour of the lenders, which was duly passed and the results of which were announced on March 26, 2022.

Shri P. N. Parikh (Membership No. FCS 327 CP 1228) or failing him Shri Mitesh Dhaliwala (FCS 8331) or failing him Ms. Jigyasa Ved (FCS 6488, CP 6018) of Parikh & Associates, Practising Company Secretaries, was appointed as the Scrutinizer to scrutinize the postal ballot process for voting done through electronic means only (viz. remote e-voting) in a fair and transparent manner.

Description of the Resolution	Votes in favour of the Resolution			Votes against the Resolution				Invalid Votes
	Number of members voted	Number of valid Votes cast (Shares)	Percentage of total number of valid votes cast	Number of members voted	Number of valid votes cast (Shares)	Percentage of total number of valid votes cast	Total number of members whose votes were declared invalid	Total number of invalid votes cast (Shares)
Approval for Reduction of Share Capital of the Company (Passed on 13.08.2021)	281	7,21,36,419	99.99	27	5,005	0.01	0	0
Approval for Creation of Security on the Properties of Company both present and future in favour of the lenders (Passed on 26.03.2022)	159	6,19,76,490	98.15	59	11,65,330	1.85	0	0

**Procedure for Postal Ballot:** The postal ballot was carried out as per the provisions of Sections 108 and 110 and other applicable provisions of the Act, read with the Rules framed thereunder and read with the Circular No. 14/2020 dated April 8, 2020, Circular No. 17/2020 dated April 13, 2020, Circular No. 33/2020 dated September 28, 2020, Circular No. 39/2020 dated December 31, 2020, Circular No. 10/2021 dated June 23, 2021 and Circular No. 20/2021 dated December 8, 2021 issued by the Ministry of Corporate Affairs.

**(IV) Details of Special Resolution proposed to be conducted through postal ballot:**

None of the businesses proposed to be transacted at the ensuing AGM requires passing of a Special Resolution through postal ballot.

**13. MEANS OF COMMUNICATION:**

**(a) Financial Results**

Shareholders are intimated through the press and the Company's website: <http://www.supremepetrochem.com> of the quarterly performance and financial results of the Company. The quarterly results of Company and other including notices related to Shareholder of the Company are normally published in Business Standard, Free Press Journal, Sakal, Navshakti and Pudhari, as the case may be. Announcement to Stock Exchanges are also displayed on the Company's website. The website also displays Chairperson's latest statement, the shareholding pattern, and the complete Annual Report of the Company.

**(b) Annual Report**

Pursuant to the MCA Circulars and SEBI Circulars, the Annual Report of F.Y. 2021-22 containing the notice of AGM was sent through e-mails to all those Members whose e-mail IDs were registered with the Company/Depository Participant.



**(c) Press Release/Analyst Call**

No presentations were made to institutional investors or to the analysts during the year under review. However, overview of the industry relating to the Company's business and business environment were given to investors, if any, who met the Company's Management.

**(d) Communication related to Dividend and Updation of records**

The Company issues various reminder letters to Stakeholders whose dividend is outstanding and those whose shares are liable to transfer to IEPF. The Company has issued letters to the shareholders asking to update their KYC.

**14. GENERAL INFORMATION FOR SHAREHOLDERS:**

<b>I</b>	<b>Annual General Meeting</b>	Tuesday, August 02, 2022
<b>II</b>	<b>Time and Venue</b>	4.00 p.m. The Company is conducting the AGM through VC /OAVM pursuant to the MCA General Circular No. 02/2022 dated May 05, 2022 and SEBI Circular No. SEBI/HO/CFD/CMD2/ CIR/P/2022/62 dated May 13, 2022 and as such there is no requirement to have a venue for the AGM. For details, please refer to the Notice of the AGM.
<b>III</b>	<b>Period under review</b>	April 1, 2021 to March 31, 2022
<b>IV</b>	<b>Date of Book Closure</b>	Tuesday, July 26, 2022 to Tuesday, August 02, 2022 (both days inclusive)
<b>V</b>	<b>Dividend Payment Date</b>	The Dividend, if declared at AGM, will be paid on or after August 20, 2022
<b>VI</b>	<b>Listing on Stock Exchanges</b>	(i) BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 Tel No.: 022-22721233 / 34 Fax : 022-22721919 Stock Code / Symbol : 500405 / SPLPETRO  (ii) The National Stock Exchange of India Ltd., Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051 Tel No.022-26598100 – 14 / 022-66418100 Fax : 022-26598120 Stock Code / Symbol : SPLPETRO
<b>VII</b>	<b>Payment of Listing Fees</b>	The Company has paid Annual listing fees for the financial year 2022- 2023 to each of the Stock Exchanges, where the equity shares of the Company are listed.
<b>VIII</b>	<b>Payment of Depository Fees</b>	Annual Custody / Issuer Fees for the year 2022-2023 has been paid to CDSL and NSDL.

**IX Market Price Data, High and Low during each month in the Financial Year 2021-2022:**

(In ₹)

Year	BSE Limited		The National Stock Exchange of India Ltd.	
	High	Low	High	Low
April 2021	733.60	395.00	735.00	412.75
May 2021	820.00	666.00	815.00	665.05
June 2021	795.00	708.60	794.70	705.00
July 2021	760.00	694.00	759.00	690.15
August 2021	727.00	602.20	718.75	606.10
September 2021	720.00	655.20	720.60	660.90
October 2021	808.00	622.05	818.75	621.00
November 2021	708.35	606.60	709.05	617.15
December 2021	746.20	619.80	747.00	647.45
January 2022	756.85	670.60	761.00	670.00
February 2022	714.00	630.00	712.45	632.40
March 2022	1027.05	656.25	1025.00	657.00

**X Comparison with Indices:**

	April 2021 Opening	March 2022 Closing	% Rise (Fall)
BSE Sensex	49868.53	58568.51	17.45
NSE Nifty	14798.40	17464.75	18.02
SPL Shares BSE	420.25	924.65	120.02
SPL Shares NSE	416.05	925.55	122.46

**XI Name of the Depository with whom the Company has entered into Agreement:**

		ISIN Number
1	National Securities Depository Limited	INE663A01025
2	Central Depository Services (India) Limited	INE663A01025

**XII Registrar and Transfer Agent:**

**KFin Technologies Limited**

Selenium Tower B, 6th Floor, Plot No. 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, HYDERABAD - 500 032, TELANGANA

**Share Transfer System:**

In terms of Regulation 40(1) of SEBI Listing Regulations, as amended from time to time, securities can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. Further, SEBI had fixed March 31, 2021 as the cut-off date for re-lodgement of transfer deeds and the shares that are re-lodged for transfer shall be issued only in demat mode. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company.

**Dematerialization of Shares & Liquidity:**

Equity Shares of the Company can be held in the dematerialized form with either National Securities Depository Limited or Central Depository Services Limited. Around 98.10% Equity Shares out of the total 9,65,01,958 equity shares issued by the Company so far have been dematerialized up to March 31, 2022.

**Shareholders' Relation Cell:**

The Secretarial Department of the Company operates from its Registered Office situated at Andheri (East) in Mumbai. Additionally, the Company's Registrars and Transfer Agents, KFin Technologies Limited extend their assistance to the shareholders of the Company through their investor service offices situated at Ahmedabad, Bangalore, Chennai, Cochin, Jaipur, Kolkata, Lucknow, Mumbai (Fort & Andheri), New Delhi, Pune, Vadodara and Vijaywada.

Members are further requested to note that, our Registrar and Share Transfer Agents have launched a mobile application - KPRISM and a website <https://kprism.kfintech.com> for our investors. Now you can download the mobile app and see your portfolios serviced by KFINTECH. Check Dividend status, request for annual reports, change of address, change / update Bank mandate and download standard forms. The android mobile application can be downloaded from Play Store by searching for "KPRISM".

For any assistance related to the Company's shares or for redressal of any grievance related thereto, the shareholder(s) can contact between 11.00 a.m. to 4.00 p.m. between Monday to Friday (except on bank holidays) or write to:

Contact Person	Address	Contact Details
Mr. D N Mishra Company Secretary	Secretarial Department, Supreme Petrochem Ltd, Solitaire Corporate Park, Building No. 11, 5th Floor, 167, Guru Hargovindji Marg, Andheri- Ghatkopar Link Road, Chakala, Andheri (East), Mumbai - 400093	Tel No.: 022-67091900 / 022-66935927 Fax No.:022-40055681 E-mail: investorhelpline@spl.co.in Website : www.supremepetrochem.com
Mr. Finian Lopez Secretarial Department		
Ms. Jean Bhandary Secretarial Department		

OR



Contact Person	Address	Contact Details
Shri Ganesh Patro	KFin Technologies Limited Unit: Supreme Petrochem Ltd, Selenium Tower B, 6th Floor, Plot No. 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, HYDERABAD - 500 032, TELANGANA	Tel No.: 040-67161526/67162222
Shri Nageshwar Rao		Toll Free No.:1800-3454-001
		Fax No.: 040-23001153 E-mail: einward.ris@kfintech.com Web Site: www.kfintech.com

**XIII Distribution of Shareholding (As on March 31, 2022):**

No. of Equity Shares Held	No. of Shareholders	% of Shareholders	No. of Shares	% of Shareholding
1 – 5000	50403	98.90	9770378	10.39
5001 – 10000	248	0.49	1794167	1.91
10001 – 20000	140	0.27	2000773	2.13
20001 – 30000	49	0.10	1222606	1.30
30001 – 40000	22	0.04	763320	0.81
40001 – 50000	21	0.04	951479	1.01
50001 – 100000	23	0.05	1584338	1.69
100001 and above	56	0.11	75933610	80.76
<b>TOTAL</b>	<b>50962</b>	<b>100.00</b>	<b>94020671</b>	<b>100.00</b>

**XIV Categories of Shareholders (As on March 31, 2022):**

Sr. No.	Category	No. of Shareholders	No. of Shares held	% of Shareholding
1	Promoters	13	60235300	64.07
2	Mutual Funds	6	1993047	2.12
3	Foreign Portfolio Investors	77	1924496	2.05
4	Foreign Institutional Investors/Banks	6	22050	0.02
5	Foreign Nationals	1	200	0
6	Indian Public	48602	25238959	26.83
7	Trust	3	234296	0.25
8	Alternate Investment Fund	1	4950	0.01
9	Non-Resident Indian	1395	658899	0.7
10	Clearing Members	72	72821	0.08
11	Non-Resident Indians Non Repatriable	399	184689	0.2
12	Private Corporate Bodies	386	1770751	1.88
13	IEPF	1	1680213	1.79
	<b>GRAND TOTAL</b>	<b>50962</b>	<b>94020671</b>	<b>100.00</b>

**XV Equity Shares in Suspense Account:**

	No. of Shareholders	No. of Shares
Outstanding shares lying in the Unclaimed Suspense Account at the beginning of the year	8	1334
No. of shareholders who approached the Company for transfer of shares from the Unclaimed Suspense Account during the year	0	0
No. of shareholders to whom shares were transferred from Unclaimed Suspense Account during the year	0	0
No. of shareholders and the outstanding shares which were transferred to IEPF during the year	1	100
No. of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the end of the year	7	1234

The voting rights on the shares lying in the Unclaimed Suspense Account shall remain frozen until the rightful owner of such shares claims back their shares legitimately.

**XVI Transfer of Unclaimed Dividend And Shares to the Investor Education And Protection Fund (IEPF):**

The Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended by the Ministry of Corporate Affairs with effect from 28th February, 2017 (“the Rules”) inter-alia provides for transfer of all shares, in respect of which dividend has not been encashed by the shareholders for seven consecutive years or more, in the name of Investor Education and Protection Fund (IEPF) Account.

The Company uploads full details of such shareholders and shares due for transfer to IEPF Account on its website at [www.supremepetrochem.com/investorrelations](http://www.supremepetrochem.com/investorrelations).

The details of the shares already transferred to IEPF are uploaded on the Company’s website.

The concerned shareholders, holding shares in physical form and whose shares are liable to be transferred to IEPF Account may note that the Company would be issuing duplicate share certificate(s) in lieu of the original share certificate(s) held by them for the purpose of transfer of shares to IEPF Account as per respective Rules and upon such issue, the original share certificate(s) which stand registered in their name will stand cancelled automatically and will be deemed as non-negotiable. The shareholders may further note that the details uploaded by the Company on its website should be deemed as adequate notice in respect of issue of the duplicate share certificate(s) by the Company for the purpose of transfer of shares to IEPF Account pursuant to the respective Rules.

In case the shares are held in dematerialized mode, the Company will transfer these shares directly to the demat account of the IEPF Authority, in consonance with the respective IEPF rules/regulations, with the help of the depositories/depository participant.

In the absence of receipt of a valid request form alongwith necessary documents from the respective shareholders, the Company shall, with a view to comply with the requirements set out in the IEPF Rules, transfer the shares to IEPF Account as per procedure stipulated in the respective Rules without further notice and that no claim shall lie against the Company in respect of such unclaimed dividend amounts and shares transferred to IEPF A/c pursuant to the respective IEPF Rules. Both the unclaimed dividend and the shares transferred to IEPF Authority Account including all benefits accruing on such shares, if any, can be claimed back by the respective shareholder(s) from IEPF Authority directly after following their prescribed procedures and the details / requisite process thereof are available at [www.iepf.gov.in](http://www.iepf.gov.in).

For further clarification(s), if any, the concerned shareholders may contact KFin Technologies Limited, Unit:

Supreme Petrochem Ltd, Selenium Tower B, Plot 31-32, Gachibowli Financial District, Nanakramguda Hyderabad 500 032, TELANGANA, Toll Free No: 1800-4258-998, Phone No: 040-67161526, or may Email at [einward.ris@kfinotech.com](mailto:einward.ris@kfinotech.com) quoting reference of their folio no. / demat account no.

**XVII Plant Location:**

- i) Amdoshi, Wakan Roha Road, Post Patansai, Nagothane, Taluka Roha, District Raigad, MAHARASHTRA - 402 106.
- ii) Ammulavoyil Village, Andrakuppam Post, Manali New Town, Chennai, TAMIL NADU - 600 103.

**XVIII Address for Correspondence:**

**Registered Office -**

Solitaire Corporate Park, Building No. 11, 5th Floor, 167, Guru Hargovindji Marg, Andheri - Ghatkopar Link Road, Chakala, Andheri (East), MUMBAI - 400 093. Tel No.022-67091900

**XIX Outstanding ADRs/GDRs/Warrants or Any Convertible Instruments, Conversion Date And Likely Impact On Equity :**

The Company does not have any outstanding ADRs/GDRs/Warrants or any Convertible Instruments

**XX Commodity Price Risk or Foreign Exchange Risk & Hedging Activities:**

International pricing and demand/ supply risk are inherent in the import of Styrene Monomer, the main raw material for the products of the Company. The Company enters into procurement contracts for import of Styrene Monomer on annual basis. The contracts specify the quantity and attributes for arriving at monthly pricing. However, a part of the requirement is sourced on spot basis so as to float with fluctuations in the market and to guard against price volatility. The Company has also linked part of its sales to raw material prices so that the Company has adequate cushion to protect its margin in the event of any increase/decrease in raw material costs.



The Company’s main raw material and major additives are imported and therefore Company has a substantial exposure in foreign exchange currencies and thus associated risk thereof. To overcome the risk of foreign exchange volatility in market, Company’s Board has approved a policy to hedge the risk by way of foreign exchange exposures by using appropriate hedging products. The Company, to some extent, has also hedged against the said risk by way of export receivables. There is no direct hedging available for the main raw material of Company viz. Styrene Monomer.

**XXI Credit Ratings:**

During the year under review, the Company has not issued any debt instrument or fixed deposit receipts etc. in India or abroad. Crisil Ratings Ltd has assigned long term rating at CRISILAA-/ Stable and Short term rating at CRISILA1+, for Company’s working capital facilities from banks including Fund based and Non Fund based facilities for the year 2022. India Ratings & Research (Ind-RA) has assigned Company’s long term rating of IND AA- with stable outlook and short term rating at INDA1+ for Company’s fund and non-fund based working capital facilities from banks.

**15. OTHER DISCLOSURES:**

**a. Basis of Related Party Transactions**

The Company places all the details of Related Party Transactions before the Audit Committee periodically, however there was no significant material Related Party Transactions during the financial year 2021-2022. List of Related Party Transactions as required by Ind AS 24 issued by the Institute of Chartered Accountants of India, forms part of the Notes to the Accounts in the Financial Statement of Annual Report (Please refer to Notes to Account No 47). However, these transactions are not likely to have any potential conflict with the interest of the Company at large due to being on an arm’s length basis and in ordinary course of business. The policy on dealing with Related Party Transactions is available on the Company’s website on the link [www.supremepetrochem.com/](http://www.supremepetrochem.com/)

**b. Disclosure of Accounting Treatment**

The Company has followed all relevant Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read together with Rule 3 of the Companies (Indian Accounting Standards) Rules 2015.

**c. Proceeds from Public Issues, Right Issues or Preferential Issues etc.**

During the year under review The Company has not raised any proceeds from Public Issue, Right Issue or Preferential Issue.

**d. Disclosure related to non-Compliances etc. of the Company**

There were no instances of non-compliance or imposing penalty and no stricture were issued against the Company by Stock Exchanges or SEBI or any other statutory/regulatory authority for any matter related to capital markets, during the last three years.

**e. Whistle Blower Policy/Vigil Mechanism**

A Whistle Blower Policy/ Vigil Mechanism has been adopted by the Board of Directors. During the year under review, there was no complaint with respect to any unethical conduct etc. by any stakeholder or employee/personnel of the Company. No stakeholder or employee/personnel has been declined access to the Audit Committee or its Chairperson in any case.

**f. Disclosures as required under Schedule V(C) (10)(l) of the Listing Regulations in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is disclosed in the Board’s Report.**

**g. The total fees paid to the Statutory Auditors of the Company during Financial Year 2021-2022 amounts to ₹ 39.84 Lakhs for all the services rendered by them to the Company.**

**h. The Company has complied with all the mandatory requirements of the Listing Regulations relating to Corporate Governance applicable to the Company as per the Provisions of SEBI (LODR) Regulations, 2015 and Companies Act, 2013. The status of compliances thereof including the non-mandatory requirements are as under:**

For Discretionary Requirements [Regulation 27(1)] of the SEBI (Listing Obligations & Disclosure Requirements) Regulation 2015 and Schedule II (E) thereto, the Company has complied with by having separate post of Chairperson and CEO viz. Manager and by allowing the Internal Auditors to report directly to the Audit Committee, whenever required.

Clause	Head	Status
17	Board of Directors	Complied
18	Audit Committee	Complied
19	Nomination and Remuneration Committee	Complied
20	Stakeholders Relationship Committee	Complied
21	Risk Management Committee	Complied

Clause	Head	Status			
22	Vigil Mechanism	Complied			
23	Related Party Transaction	Complied			
24	Corporate Governance requirements with respect to Subsidiary of Listed Entity	N.A.			
25	Obligations with respect to Independent Directors	Complied			
26	Obligations with respect to Directors and Senior Management	Complied			
27	Other Corporate Governance requirements	Complied			
46	2	b	Terms and conditions of appointment of Independent Director	Complied	
		c	Composition of various Committees of Board of Directors	Complied	
		d	Code of Conduct of Board of Directors and Senior Management personnel	Complied	
		e	Establishment of Vigil Mechanism and Whistle Blower Policy	Complied	
		f	Criteria for making payments to Non-Executive Directors	Complied	
		g	Policy on dealing with related party transaction	Complied	
		h	Policy for determining 'material' subsidiaries	N.A.	
		i	Details of familiarization programmes imparted to Independent Directors	Complied	
			Duration of Familiarization Programme for Independent Directors		
	(a)		No. of programmes attended by Independent Director (during the year and on a cumulative basis till date)	During the year	5
				Cumulative	28
	(b)		No. of hours spent by Independent Directors in such programmes (during the year and on a cumulative basis till date)	During the year	4.40
				Cumulative	22.55

**i. Familiarization Programme for Independent Directors**

The following familiarization programme were held for the Independent Directors during the year under review:

- Overview of Domestic demand/ supply market and future outlook, business sustainability, pricing movement scenario related to different products of Company. Diversification Project of ABS – viability thereof, technology, demand & supply situation in the Country.
- Ongoing expansion projects of PS/EPS/ABS, bottlenecks thereto and solutions thereof.
- International Market scenario related to Company's Products and its raw materials.
- Measures related to mitigating impact of Covid-19 pandemic on the business of Company.
- Cyber security and Disaster Recovery Drill (DRS), assessment of risks and their migration plan.

The Company is in compliance with the mandatory requirements of Corporate Governance provisions as per SEBI (LODR) Regulations, 2015 and Companies Act, 2013 to the extent of its applicability to the Company. The details of familiarization programme conducted for the Independent Directors are displayed on Company's website [www.supremepetrochem.com](http://www.supremepetrochem.com)

**16. COMPLIANCE CERTIFICATE TO THE BOARD OF DIRECTORS BY MANAGER & CHIEF FINANCIAL OFFICER**

**(Issued in accordance with the provisions of Regulation 17(8) of the SEBI (LODR) Regulations, 2015)**

- A. We have reviewed the financial statements and the cash flow statement for the financial year 2021-2022 and believe to the best of our knowledge and belief that:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
  - (2) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. To the best of our knowledge and belief, no transactions entered into by the Company during the year are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.



D. We have indicated to the auditors and the audit committee that:

- (1) there are no significant changes in internal control over financial reporting during the year;
- (2) there are no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements and
- (3) there are no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**N. GOPAL**  
Manager

**RAKESH NAYYAR**  
CFO

The above certificate was placed before the Board at its meeting held on April 27, 2022.

#### **17. MANAGEMENT DISCUSSION AND ANALYSIS:**

The Management Discussion and Analysis Report is annexed separately to the Annual Report forming its integral part.

#### **18. CERTIFICATE RELATED TO CORPORATE GOVERNANCE COMPLIANCE DURING FINANCIAL YEAR 2021-2022 AND DIRECTOR'S DISQUALIFICATION / DEBARMENT:**

A Certificate issued by M/s Parikh & Associates, Practicing Company Secretaries for compliances of corporate governance provisions as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Paragraph C, D and E of Schedule V to the SEBI (LODR) Regulations, 2015 is annexed herewith vide Annexure A.

A Certificate issued by M/s. Parikh & Associates, Practicing Company Secretaries, that none of the Directors on the Board of the Company has 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 statutory authority is also annexed herewith vide Annexure B.

For and on behalf of the Board

Place: Mumbai  
Date: April 27, 2022

**Rajan B Raheja**  
Director

**Website** : Please visit us at <http://www.supremepetrochem.com> for financial and other information about the Company.





## ANNEXURE A

### PRACTISING COMPANY SECRETARIES' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of  
**Supreme Petrochem Limited**

We have examined the compliance of the conditions of Corporate Governance by Supreme Petrochem Limited ('the Company') for the year ended on March 31, 2022, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C, D & E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

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

In our opinion and to the extent of information provided by the Company and according to the explanations given to us, and the representations made by the Directors and the management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we certify that the Company has generally complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2022.

We further state that such compliance 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 **Parikh & Associates**  
*Practising Company Secretaries*

**Shalini Bhat**  
*Partner*

FCS No: 6484 CP No: 6994  
UDIN: F006484D000215572  
PR No.: 1129/2021

Mumbai, April 27, 2022

**ANNEXURE B  
CERTIFICATE**

To,

The Members of

**Supreme Petrochem Limited**Solitaire Corporate Park, Bldg. No.11,  
5th Floor, 167, Guru Hargovindji Marg,  
Chakala, Andheri (East), Mumbai : 400093  
Maharashtra

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Supreme Petrochem Limited having CIN L23200MH1989PLC054633 and having registered office at Solitaire Corporate Park, Bldg. No.11, 5th Floor, 167, Guru Hargovindji Marg, Chakala, Andheri (East), Mumbai : 400093 (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 and 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](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending 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.

S. No.	Name of Director	DIN	Date of Appointment in Company *
1.	Mahavirprasad Surajmal Taparia	00112461	14/12/1989
2.	Rajan Beharilal Raheja	00037480	14/12/1989
3.	Bajranglal Surajmal Taparia	00112438	22/11/1993
4.	Shivratan Jeetmal Taparia	00112513	22/11/1993
5.	Madras Seshamani Ramachandran	00943629	26/07/2005
6.	Ramanathan Kannan	00380328	17/07/2005
7.	Ameeta Aziz Parpia	02654277	24/04/2013
8.	Sivaram Swaminathan	00009900	23/09/2014
9.	Rajeev Mahendra Pandia	00021730	26/04/2019
10.	Kiran Vasant Mujumdar	08866096	19/09/2020

\*The dates of appointment are as per MCA portal.

Ensuring the eligibility of 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 **Parikh & Associates**  
Practising Company Secretaries

**Shalini Bhat**  
Partner

FCS No: 6484 CP No: 6994

UDIN: F006484D000215572

PR No.: 1129/2021

Place: Mumbai

Date: April 27, 2022



## BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (BRSR)

### FOREWORD

In recent times, adapting to and mitigating climate change impact, inclusive growth and transitioning to a sustainable economy have emerged as major issues across the globe. With the changing scenarios, countries and organizations across the world are adopting stringent measures to mitigate the negative impacts and build a sustainable economy. In India, SEBI has introduced and mandated a Business Responsibility and Sustainability (BRSR) framework for the top 1000 listed companies from FY 2022-23. The objective of the new format is to ensure that sustainability reporting is at par with financial reporting and helps companies make better sustainable investment choices based on quantifiable matrices. Company has, volunteered to publish BRSR for current financial year 2021 – 22 to confirm its commitment on ESG.

Company acknowledges the issue and has been working extensively to minimize the environmental and social risks by strengthening due diligence, creating employee awareness, and enhancing its sustainable initiatives. Supreme Petrochem as a responsible organization has always focused on inclusive growth for all its stakeholders along with enhancing its business operations in a sustainable manner. In order to achieve its vision of sustainable business and to ensure compliance with regulatory requirements, Company has disclosed its business practices on Environmental, Social and Governance aspects which are in alignment with the National Guideline of Responsible Business Conduct (NGRBC) guidelines and BRSR framework. Company strives to continue its business operations across the value chain in an ethical, responsible, and sustainable manner.

**(Rajan B. Raheja)**

Director



**SECTION A: GENERAL DISCLOSURES**

**I. DETAILS OF THE LISTED ENTITY**

1.	Corporate Identity Number (CIN) of the Listed Entity	L23200MH1989PLC054633
2.	Name of the Listed Entity	Supreme Petrochem Ltd
3.	Year of incorporation	1989
4.	Registered office address	Solitaire Corporate Park, Building No. 11, 5th Floor, 167, Guru Hargovindji Marg, Chakala, Andheri East, Mumbai- 400 093
5.	Corporate address	Solitaire Corporate Park, Building No. 11, 5th Floor, 167, Guru Hargovindji Marg, Chakala, Andheri East, Mumbai- 400 093
6.	E-mail	<a href="mailto:Investorhelpline@spl.co.in">Investorhelpline@spl.co.in</a>
7.	Telephone	91 22 67091900
8.	Website	<a href="http://www.supremepetrochem.com">www.supremepetrochem.com</a>
9.	Financial year for Reporting	2021 -22
10.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	<b>Mr. K. V. Mujumdar</b> Whole Time Director Tel No: 02194-22100 E-Mail ID: kv_mujumdar@spl.co.in
11.	Reporting boundary	Disclosures made in this report are on Standalone basis and pertain to only Supreme Petrochem Ltd.
12.	Name of the Stock Exchange(s) where shares are listed	Bombay Stock Exchange (BSE) National Stock Exchange (NSE)
13.	Paid-up Capital	INR 3,761 lakhs

**II. PRODUCTS/SERVICES:**

**14. Details of business activities (accounting for 90% of the turnover):**

Sr. no.	Description of the main activity	Description of business activity	% Of turnover of the entity
1.	Manufacturing	Manufacturing of Petrochemical downstream products.	76%
2.	Trading	Trading of raw materials	24%

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

Sr. no.	Product/Service NIC Code % of total Turnover contributed	Product/Service NIC Code % of total Turnover contributed
1.	Polystyrene, Expandable Polystyrene, Master Batches and Polymer Compounds' (NIC Code: 201)	76%

**III. OPERATIONS:**

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

Location	Number of plants	Number of offices	Total
National	2	4	6
International	NA	NA	NA

*Note: Supreme Petrochem Ltd, neither has plant/ manufacturing unit nor office in international geographies, however, company exports products globally.*

**17. Markets served by the entity**

**a. Number of Locations**

Locations	Number
National (No. of States)	PAN India
International (No. of Countries)	Customers in over 100 countries

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

Approximately 12% of total volume is exported to international customers across 100 countries.

**c. A brief on types of customers**

Supreme Petrochem Ltd is in Business to Business (B2B) market segment and our majority of customers are the OEMs of air conditioners, refrigerator parts, and washing machine parts. Other Customers are the manufacturers of air cooler bodies, water heater/geyser bodies, cutlery items, dairy products, TV and computer parts, stationery items, imitation jewellery, packaging of electronic and electrical appliances for cushioning, fish/ fruits/ vegetables/ pharma packing, blocks, and sheets for false ceiling etc.

**IV. EMPLOYEES:**

**18. Details as at the end of Financial Year**

**a. Employees and workers (including differently abled)**

Sr. No.	Particulars	Total	Male		Female	
		(A)	No. (B)	% (B/A)	No. (C)	% (C/A)
<b>Employee</b>						
1	Permanent (D)	382	359	94%	23	6%
2	Other than Permanent (E)	26	24	92%	2	8%
3	<b>Total employees (D + E)</b>	<b>408</b>	<b>383</b>	<b>94%</b>	<b>25</b>	<b>6%</b>
<b>Workers</b>						
4	Permanent (F)	0	0	0%	0	0%
5	Other than Permanent (G)	200	190	95%	10	5%
6	<b>Total Workers (F + G)</b>	<b>200</b>	<b>190</b>	<b>95%</b>	<b>10</b>	<b>5%</b>

**b. Differently abled Employees and workers:**

At Supreme Petrochem Ltd we currently do not have any differently abled employees nor workers.

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

**19. Participation/Inclusion/Representation of women**

Particulars	Total	No. and percentage of Females	
	(A)	No. (B)	% (B/A)
Board of Directors	10*	1	10%
Key Management	4*	0	0%
Other Personnel	378	23	6%
<b>Total Employees</b>	<b>382</b>	<b>23</b>	<b>--</b>

\* Shri K. V. Mujumdar (WTD) falls under the category of Director and KMP both.



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

	Turnover Rate								
	FY 2021- 22			FY 2020- 21			FY 2019- 20		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	10%	13%	10%	8%	5%	8%	12%	0%	12%
Temporary Workers	-	-	-	-	-	-	-	-	-

**V. HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES (INCLUDING JOINT VENTURES)**

**21. Names of holding / subsidiary / associate companies / joint ventures**

Sr. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% Of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
Not Applicable				

**VI. CSR DETAILS**

22.	(i)	Whether CSR is applicable as per section 135 of Companies Act, 2013:	Yes
	(ii)	Turnover (in ₹)	503,230 Lakhs
	(iii)	Net Worth (in ₹)	151,563 Lakhs

List of activities in which expenditure for above has been incurred:
1. Initiation of activities related to provision of Primary Health Center at nearby village.
2. Contribution to Society for Rehabilitation of Paraplegics (SRP) which is an established NGO.
3. Providing medical assistance for COVID care facilities.
4. Provision of ambulance for COVID care.
5. Contribution for provision of oxygen plants.
6. Provision of E-learning facilities for Schools.
7. Provision of Anganwadies.
8. Provision of Public Toilets for nearby villages.

**VII. TRANSPARENCY AND DISCLOSURES COMPLIANCES**

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

Supreme Petrochem Limited’s Code of Conduct along with Vigil Mechanism and Whistleblower Policy encompass company’s ethics, core values, integrity principles, conflict of interest management, and grievance redressal mechanism along with oversight of Board of Directors and role of top management. The Company’s policies for grievance redressal can be accessed at: [https://www.supremepetrochem.com/brr\\_policies.htm](https://www.supremepetrochem.com/brr_policies.htm)

As a result of company’s core values and long-standing ethical behavior, during FY 2021-22 there were zero complaints/ grievances filled by any stakeholder pertaining to child labour, forced labour, consumer dissatisfaction, corruption/ bribery, safety, and harassment.

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)	Financial Year			Financial Year		
		2021-22			2020-21		
	(If yes, then provide web-link for grievance redress policy)	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Shareholders	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Investors (Other than shareholders)	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Employee & Workers	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Customers	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Value Chain Partners	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Others (Please specify)	NIL	NIL	NIL	NIL	NIL	NIL	NIL

**24. Overview of the entity’s material responsible business conduct issues**

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

Sr. No.	Material issue Identified	Indicate Whether Risk or Opportunity	Rationale for identifying Risk / Opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Occupational Health and Safety (OHS) and Environment Safety	Risk and Opportunity	<p><b>Risk:</b> Being manufacturing Company of petrochemical downstream products, the health and safety of workforce is an inherent risk and non-compliance of safety norms can negatively impact brand image.</p> <p><b>Opportunity:</b> Strong internal controls and governance mechanism enhances employee/workers safety and overall health well-being, leading to productive employees/workers.</p>	<p>Proactive assessment of health and environmental risks adopting various methods such as Quantitative Risk Assessment (QRA), Preliminary Hazard Analysis (PHA), Job Safety Analysis (JSA), Environmental Impact Assessment (EIA).</p> <p>Developing appropriate remedial action plans and implementation strategies for exercising appropriate risk controls, remedial actions, and grievance redressal mechanism.</p>	<p><b>Risk:</b> Negative</p> <p><b>Opportunity:</b> Positive</p>



Sr. No.	Material issue Identified	Indicate Whether Risk or Opportunity	Rationale for identifying Risk / Opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
2	Business Ethics, Compliance, and Governance	Risk and Opportunity	<p><u>Risk:</u> Negative brand reputation due to non-compliance with regulatory and legal requirements.</p> <p><u>Opportunity:</u> Timely and effective compliance with regulatory and legal mandates, augment good ethical behavior within the Company across all levels.</p>	<p>A strong internal committee comprising of key managerial personnel exists who are responsible and accountable for ensuring effective, timely, and appropriate compliance with regulatory and legal mandates.</p> <p>To be abreast on regulatory and mandatory changes as per laws, make appropriate internal modifications in systems and control to capture and internalize the changes.</p>	<p>Risk: Negative</p> <p>Opportunity: Positive</p>
3	Employee Well-being	Opportunity	Engaging in employee wellbeing, satisfaction, growth, overall development, and non-monetary benefits to employees results in employee loyalty with higher degree of productivity.	-----	Positive
4	Waste Management	Risk and Opportunity	<p>The hazardous waste should be stored safely inside the premises and scientifically disposed through authorized/ approved disposal facilities to avoid/ reduce the impact on environment.</p> <p>Through effective management of waste generated by the process, reduction in disposal costs as well as resource conservation.</p>	<p>Hazardous waste generated through the process is safely stored, monitored, and scientifically disposed through State Pollution Control Board approved Common Hazardous Waste Treatment, Storage and Disposal Facility.</p> <p>Documented procedure for handling and management of waste generated by the process is in practice.</p>	<p>For the risk – Negative</p> <p>For the Opportunity – Positive</p>





Sr. No.	Material issue Identified	Indicate Whether Risk or Opportunity	Rationale for identifying Risk / Opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5	Water Stewardship	Opportunity	Water efficiency, Reducing water wastage, recycling water, and reusing the treated wastewater for gardening or within premises.	Ensure optimal utilization of water resources, efficient usage of water, i.e., in a socially equitable, environmentally sustainable and economically beneficial manner for continuous improvement in reduction in water consumption.	Negative. Even though financial implication of implementing the zero liquid discharge scheme is negative, it will help in recycling of water which will reduce impact on the environment.
6	Human Rights	Risk	Being a Global Supplier, failure in compliance with human rights standards, results in regulatory fines/ penalties, lower brand reputation, and create negative impression in mind of investors.	Delve deep in gauging the key Human Rights elements, critical to Company and business operations- set up strong internal controls, systems, and mechanism in place to effectively and in timely manner address risk, challenges, and threats (if any).  In addition to mechanism, identify key person in-charge to be responsible and accountable for managing Human Rights activities end-to-end and across value chain	Negative
7	Risk Management and Cyber Security	Risk	Inadequate enterprise risk mapping and management system leads to inefficiencies across the entire business operations, resulting in financial burdens and lower brand value.	Board level oversight on risk management along with comprehensive Enterprise Risk Management (ERM) exercise ensures timely catching of actual and potential threats and risks; developing actionable mitigation steps to address the concerns.  Cross-functional interactions along with core risk management committee, ensures timely remedial actions on the identified risks.	Negative



Sr. No.	Material issue Identified	Indicate Whether Risk or Opportunity	Rationale for identifying Risk / Opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
8	Energy Management	Opportunity	Leveraging renewable energy and reducing non-renewable source for energy consumption, also adopting energy efficient solutions.	-----	Positive
9	Supply Chain Management	Risk and Opportunity	<p><b>Risk:</b> Inefficiencies in the supply chain and high dependency on limited suppliers/ vendors can cause supply chain disruptions in case of external shocks.</p> <p><b>Opportunity:</b> Maintaining strong and long-standing relationship with suppliers/ vendors through effective relationship management and drive responsible procurement/ sourcing practices.</p>	<p>Regular stakeholder interactions while adding value to its business relationships since the beginning have resulted in Company holding on to its decades-old supplier base.</p> <p>Engaging in awareness, communication, and interaction sessions with suppliers result in positive relationship bonding and enhancing responsible and sustainable operations in supply chain.</p>	Positive
10	Community Development	Opportunity	Going beyond the fence and investing in holistic development of the community, results in higher brand value as a social conscious brand.	-----	Negative
11	Customer Education and Awareness	Opportunity	Driving sustainable and responsible consumption by providing the customers/ consumers with appropriate, adequate, and safety standards and guidelines; create a strong customer/ consumer loyalty base.	-----	Positive



**SECTION B: MANAGEMENT AND PROCESS DISCLOSURES**

The National Guidelines for Responsible Business Conduct (NGRBC) as prescribed by the Ministry of Corporate Affairs advocates nine principles referred as P1-P9 as given below:

Principle 1	Businesses should conduct and govern themselves with integrity in a manner that is ethical, transparent and accountable
Principle 2	Businesses should provide goods and services in a manner that is sustainable and safe
Principle 3	Businesses should respect and promote the well-being of all employees, including those in their value chains
Principle 4	Businesses should respect the interests of and be responsive towards all its stakeholders
Principle 5	Businesses should respect and promote human rights
Principle 6	Businesses should respect, protect, and make efforts to restore the environment
Principle 7	Businesses when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
Principle 8	Businesses should promote inclusive growth and equitable development
Principle 9	Businesses should engage with and provide value to their consumers in a responsible manner

Disclosure	P	P	P	P	P	P	P	P	P
Questions	1	2	3	4	5	6	7	8	9
<b>Policy and Management Processes</b>									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes, the policies have been reviewed and approved by Board of Directors.								
c. Web Link of the Policies, if available	<a href="https://www.supremepetrochem.com/brsr_policies.htm">https://www.supremepetrochem.com/brsr_policies.htm</a>								
2. Whether the entity has translated the policy into procedures. (Yes / No)	No, Practiced at ground but procedures need to be documented.	Yes	No	Yes	Yes	Yes	No	No, Practiced at ground but procedures need to be documented.	No, Practiced at ground but procedures need to be documented.
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	No	No	No	No	No	No	No	No	No
4. Name of the national and international codes/certifications/labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trusted) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	-	ISO 9001:2015, REACH, RoHS	ISO 45001:2018			ISO 14001:2015	-	-	-
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Not Available	Not Available	Not Available	Not Available	Not Available	Not Available	Not Available	Not Available	Not Available
6. Performance of the entity against the specific commitments, goals, and targets along-with reasons in case the same are not met.	An internal target was set for reduction in energy consumption through various energy management plans such as use of energy efficient motors, provision of variable frequency drives for certain equipment and replacement of existing luminaires with LED luminaires, etc. As against the target of 200 MWh, energy reduction of 224 MWh amounting to 112% of the target was achieved during the financial year 2021-22.								



<b>Governance, Leadership and Oversight</b>	
<b>7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets, and achievements</b>	(Listed entity has flexibility regarding the placement of this disclosure) (Already covered in the Message at the beginning of the BRSR)
<b>8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).</b>	<b>Mr. K. V. Mujumdar</b> Whole Time Director Tel No: 02194-22100 E-Mail ID: kv_mujumdar@spl.co.in
<b>9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.</b>	No

**10. Details of Review of NGRBCs by the Company:**

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P
	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9
Performance against above policies and follow up action	Director along with departmental heads and other key personnel have reviewed these policies and assessed the performance against laid out policies and identified areas of improvement to be implemented in near future.									Annual Review and Need based (as required)								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Supreme Petrochem Ltd in spirit of law and letter, abides with the regulations, and maintain high degree of compliance with requirements, as applicable.																	

<b>11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.</b>	<b>Principles: 1 to 9</b>
	Supreme Petrochem Ltd has a strong internal review and assessment mechanism for evaluating the policy implementation, identifying gaps, and addressing them by adopting appropriate solutions. In due course of time, the Company can engage with an external agency to carry out policy evaluation/ assessment exercise.

**SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE**

**ETHICS AND INTEGRITY**

**Principle 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable**



**Essential Indicators**

**1. Percentage coverage by training and awareness programmes on any of the principles during the financial year 2021- 22:**

During current financial year, training on Career Development, Prevention of Sexual Harassment (POSH), and Occupational Health and Safety (OHS) have been carried out across employee categories, covering 100% of Company’s employees.

Segment	Total number of training and awareness programs held	Topics/ principles covered under the training and its impacts	% Age of persons in respective category covered by the awareness programmes
Board of Directors	6	<p><u>Training Imparted:</u></p> <p>1) Ongoing expansion projects, International and Domestic outlook for Company’s businesses, business sustainability, circular economy, diversification(s) project, assessment of risks and their mitigation steps.</p> <p><u>Impacts:</u></p> <p>Make the Board of Directors aware with the various risks of the Company, latest operational status &amp; manufacturing activities, economic feasibility, business development and marketing position, expansion programme etc. of the Company.</p>	100%
Key Managerial Personnel	Part of employees	N/A	-



Segment	Total number of training and awareness programs held	Topics/ principles covered under the training and its impacts	% Age of persons in respective category covered by the awareness programmes
Employees other than Body and KMPs	12	<p><u>Topics:</u>                      Hazard Identification and Risk Assessment, Hazardous Chemicals Handling, Safety Inspections, Waste Handling and Management, Toolbox Talks, Integrated Management System, Work Permit System, First Aid Drill</p> <p><u>Impacts:</u>                      Improved competency amongst employees, Reduced accidents/incidents, Enhanced awareness towards waste management and subsequent reduction in impact on environment, Improved emergency preparedness and response</p>	100%
Workers	12	<p><u>Topics:</u>                      Hazard Identification and Risk Assessment, Hazardous Chemicals Handling, Safety Inspections, Waste Handling and Management, Toolbox Talks, Integrated Management System, Work Permit System, First Aid Drill</p> <p><u>Impacts:</u>                      Improved competency amongst employees, Reduced accidents/incidents, Enhanced awareness towards waste management and subsequent reduction in impact on environment, Improved emergency preparedness and response</p>	100%

**2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by Directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year 2021-22:**

Supreme Petrochem Ltd (SPL) being an ethical and compliance driven Company, it continues with no non-compliance cases with regulators or law enforcement agencies during the financial year 2021-22.

Monetary					
	NGRBC Principle	Name of the Regulatory/ Enforcement agencies/ Judicial institution	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes / No)
Penalty/ Fine	N/A	N/A	-	N/A	N/A
Settlement	N/A	N/A	-	N/A	N/A
Compounding Fee	N/A	N/A	-	N/A	N/A

Non-Monetary					
	NGRBC Principle	Name of the Regulatory/ Enforcement agencies/ Judicial institution	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes / No)
Imprisonment	N/A	N/A	-	N/A	N/A
Punishment	N/A	N/A	-	N/A	N/A

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

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Not Applicable	Not Applicable

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

The Company has a defined Code of Conduct (CoC) which clearly states Company's commitment on anti-corruption and anti-bribery principles.

Policies can be accessed on: [https://www.supremepetrochem.com/spl\\_policies.htm](https://www.supremepetrochem.com/spl_policies.htm) and [https://www.supremepetrochem.com/brsr\\_policies.htm](https://www.supremepetrochem.com/brsr_policies.htm)

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

Supreme Petrochem Ltd has strong anti-corruption and anti-bribery policy, procedure, and mechanism in place to ensure high standards of compliance by its Directors, Key Managerial Personnel, and Employees across cadres. As a result of this, for the past 2 financial years, there have been no disciplinary action taken against any Director or Employee of the Company.

	Financial Year 2021-22	Financial Year 2020-21
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

6. Details of complaints about conflict of interest:

	FY 2021-22 (Current Financial Year)		FY 2020-21 (Previous Financial Year)	
	Number	Remark	Number	Remark
Number of complaints received in relation to issues of Conflict of Interest of the Directors.	0		0	
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0		0	

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

Adhering to its principle of ethics and integrity, SPL has not faced any fine/ penalty/ action from legislative or judicial institution on case of corruption or conflict of interest. Therefore, no corrective action taken for the same.

### Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the principles during the financial year

Total number of awareness programmes held	Topics / principles covered under the training	Percentage of value chain partners covered (by value of business done with such partners) under the awareness programmes
01	Safe Transportation of Hazardous Goods	Necessary training was imparted to 90% of the drivers and cleaners of hazardous goods transport

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same.

Yes, the Company has a mechanism in place where Board members who are having interest are determined through their annual disclosures, recusal from any meeting, dealing with any related party transactions, and code of conduct compliance annually.

**SUSTAINABLE BUSINESS**

**Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe**



**Essential Indicators**

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

	Current Financial Year 2021- 22	Previous Financial Year 2020- 21	Details of improvements in environmental and social impacts
R&D	0	0	
CAPEX	5.2%	3.5%	<ul style="list-style-type: none"> <li>Reduction in electrical energy consumption by 224 MWh in 2021-22.</li> <li>Reduction in electrical energy consumption by 144 MWh in 2020-21</li> <li>Overall, improvement in the environmental performance of plants in terms of energy savings, quality of treated effluent, emission control, and greenbelt development.</li> </ul>

2. **a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)**  
**b. If yes, what percentage of inputs were sourced sustainably?**

The Company embeds the principles of sustainability throughout the life cycle of its products including procurement of raw materials and transportation of raw materials to designated plant locations. As a result of this, during the current financial year 2021-22, more than 90% of the raw material sourcing was carried out in a sustainable manner.



**3. Describe the processes in place to safely reclaim your products for reusing, recycling, and disposing at the end of life, for**

a.	Plastics (including packaging)	Supreme Petrochem Ltd (SPL) falls under the category of 'Manufacturer', as per the Plastic Waste Management Rules, 2016; Extended Producer Responsibility (EPR) is not applicable.
b.	E-waste	At the end-of-life e-waste is sent to registered recyclers approved by the State Pollution Control Board (SPCB) and/or Central Pollution Control Board (CPCB).
c.	Hazardous waste	Collected hazardous waste is sent for scientific disposal to the Common Hazardous Waste Treatment Storage and Disposal Facility (CHWTSDF) approved by the State Pollution Control Board (SPCB).

**4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No).**

— If yes whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards?  
 — If not provide steps taken to address the same.

Extended Producer Responsibility (EPR) is not applicable to Supreme Petrochem Ltd, since Company falls under "Manufacturing" category as per The Plastic Waste Management Rules, 2016 of Government of India.

Supreme Petrochem Ltd, manufactures Expandable Polystyrene (EPS) used as packaging material, the Company has established a 'Sustainability Cell', which engages in information dissemination with customers, consumers, NGOs, and communities on recycling of EPS, post consumption.

In addition to this, SPL has identified NGOs engaging in household plastic waste collection and encouraged them to initiate collection of EPS from households, commercial units, and marketplaces, which are recyclable in nature.

Supreme Petrochem Ltd, has gone ahead and joined hands with an industry body, Indian Centre for Plastic in the Environment (ICPE) for promoting recycling of plastic waste, including recycling of EPS Waste.

### Leadership Indicators

**1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format**

NIC Code	Name of the Product / Services	% Of total turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)
20131	<ul style="list-style-type: none"> <li>• Polystyrene (GPPS, HIPS, SMMA),</li> <li>• Expandable Polystyrene (EPS),</li> <li>• Specialty Grades/ Compounds/ Master Batches of Thermoplastics &amp; Elastomers,</li> <li>• Extruded Polystyrene (XPS)</li> </ul>	76%	Gate in to Gate out	Yes (F.Y. 2019-20)

**2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

Name of Product / Service	Description of the risk / concern	Action Taken
Polystyrene (GPPS, HIPS, SMMA), Expandable Polystyrene (EPS), Specialty Grades/ Compounds/ Master Batches of Thermoplastics & Elastomers, Extruded Polystyrene (XPS)	As per the LCA report, there was no significant Environment or social concerns arising from the production and disposal of the products	SPL proactively chose to undertake the following steps: <ul style="list-style-type: none"> <li>o Use of cleaner fuel such as natural gas instead of furnace oil, to reduce the emission of SOx in the atmosphere.</li> <li>o Plantation of trees is done to develop greenbelt on more than 33% of area occupied by the SPL to minimize carbon emissions.</li> </ul>

**3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

Not Applicable. SPL is a manufacturer of synthetic resins. It is registered as manufacturer and not a producer as per the Plastic Waste Management Rules, 2016 as amended.

Indicate input material	Recycled or re-used input material to total material	
	FY 2021-22	FY 2020-21
NIL	NIL	NIL

**4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:**

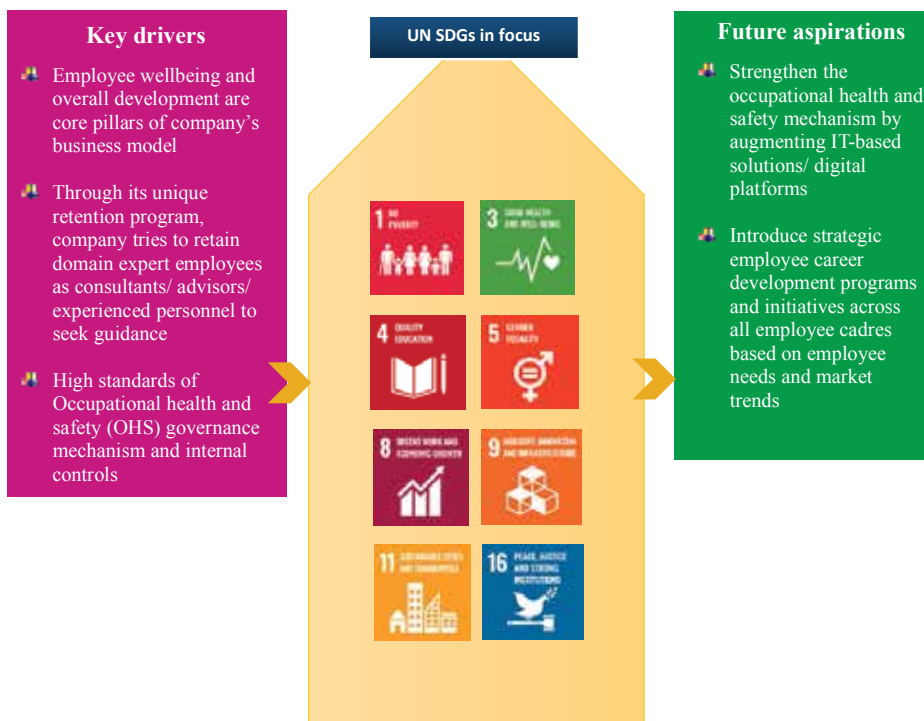
	FY 2021-22		FY 2020-21	
	Re-Used/ Recycled	Safely Disposed	Re-Used/ Recycled	Safely Disposed
Plastics (including packaging)	0	0	0	0
E-waste	0	0	0	0
Hazardous waste	0	0	0	0
Other Waste	0	0	0	0

**5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category**

Indicate Product Category:	Not Applicable
Reclaimed products and their packaging materials as % of total products sold in respective category	SPL is a manufacturer of synthetic resins. It is registered as manufacturer and not a producer as per the Plastic Waste Management Rules, 2016 as amended

**EMPLOYEE WELLBEING**

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



**Essential Indicators**

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

Category	Total (A)	% Of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent employees</b>											
Male	359	359	100%	359	100%	0	0	Not Applicable			
Female	23	23	100%	23	100%	23	100%				
Total	382	382	100%	382	100%	23	100%				
<b>Other than Permanent employees</b>											
Male	24	24	100%	12	50%	Not Applicable					
Female	2	2	100%	1	50%						
Total	26	26	100%	13	50%						

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

Category	Total (A)	% Of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Other than Permanent Workers</b>											
Male	190	190	100%	145	76%	Not Applicable					
Female	10	10	100%	5	50%					10	100%
Total	200	200	100%	150	75%					10	5%

**2. Details of retirement benefits, for FY 2021-22 and FY 2020-21**

Benefits	Current FY 2021- 22			Previous FY 2020- 21		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Yes	100%	100%	Yes
Gratuity	100%	75%	Yes	100%	78%	Yes
ESIC	5%	100%	Yes	6%	100%	Yes

The Company has Provident Fund Trust and Gratuity Trust. (Note: As an added advantage, the Company pays Gratuity up to the retirement age of an employee, in case of employee's demise during the service period).

**3. Accessibility of workplaces**

Are the premises/ offices of the entity accessible to differently abled employees any workers as per the requirements of the Rights of Persons with Disabilities Act 2016? (Yes/ No)	No. Currently there is no differently abled employee nor worker in the Company.
If not, whether any steps are being taken by the entity in this regard.	In future the Company might hire differently abled individuals.



<b>4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? (Yes/ No)</b> If so, provide a web link to the policy.	No. Since the company does not have differently abled employees nor workers. Therefore, the policy is not applicable at current stage.
--	--

**5. Return to work and Retention rates of permanent employees and workers that took parental leave.**  
In the current financial year 2021-22, there has been no female nor male employee or worker who either taken and/or returned to work from parental leave.

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	0	0	0	0
Female	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

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

	Yes/No
	<i>(If yes, then give details of the mechanism in brief)</i>
<b>Permanent Workers</b>	The Company has a strong grievance mechanism in place which helps employees across all cadres to report and redress their grievances. <ul style="list-style-type: none"> <li>For workers, grievances are identified, discussed, and communicated through recognized trade unions, which is then escalated with functional/ divisional head.</li> <li>In case of employees, grievances are received at the level of Department/ Sectional heads and then discussed and resolved in consultation with Human Resource (HR).</li> </ul>
<b>Other than Permanent Workers</b>	
<b>Permanent Employees</b>	
<b>Other than Permanent Employees</b>	

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

Category	FY 2021- 22			FY 2020- 21		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D/C)
<b>Total Permanent Employees</b>	<b>382</b>	<b>78</b>	<b>20%</b>	<b>359</b>	<b>77</b>	<b>21%</b>
Male	359	77	21%	337	76	23%
Female	23	1	4%	22	1	4%
<b>Total Permanent Workers</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Male	0	0	0	0	0	0
Female	0	0	0%	0	0	0%

**Rationale:** For workers, there is no recognized union or association which can be reported.

8. Details of training given to employees and workers:

Table 1: Training details on “Health and Safety”:

Category	Current FY 2021-22			Previous FY 2020-21		
	Total (A)	On Health Safety		Total (D)	On Health Safety	
		No. (B)	% (B/A)		No. (E)	% (E/D)
<b>Permanent Employees</b>						
Male	359	263	73%	337	254	75%
Female	23	1	4%	22	1	4%
<b>Total</b>	<b>382</b>	<b>264</b>	<b>69%</b>	<b>359</b>	<b>255</b>	<b>71%</b>
<b>Other than Permanent Workers</b>						
Male	190	190	100%	209	209	100%
Female	10	10	100%	9	9	100%
<b>Total</b>	<b>200</b>	<b>200</b>	<b>100%</b>	<b>218</b>	<b>218</b>	<b>100%</b>

Table 2: Training details on “Skill Upgradation”:

Category	Current FY 2021-22			Previous FY 2020-21		
	Total (A)	On Skill Upgradation		Total (D)	On Skill Upgradation	
		No. (C)	% (C/A)		No. (F)	% (F/D)
<b>Permanent Employees</b>						
Male	359	359	100%	337	337	100%
Female	23	23	100%	22	22	100%
<b>Total</b>	<b>382</b>	<b>382</b>	<b>100%</b>	<b>359</b>	<b>359</b>	<b>100%</b>
<b>Other than Permanent Workers</b>						
Male	190	-	-	209	-	-
Female	10	-	-	9	-	-
<b>Total</b>	<b>200</b>	<b>-</b>	<b>-</b>	<b>218</b>	<b>-</b>	<b>-</b>

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

Category	Current FY 2021-22			Previous FY 2020-21		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
<b>Permanent Employees</b>						
Male	359	359	100%	337	337	100%
Female	23	23	100%	22	22	100%
<b>Total</b>	<b>382</b>	<b>382</b>	<b>100%</b>	<b>359</b>	<b>359</b>	<b>100%</b>
<b>Other than Permanent Workers</b>						
Male	190	-	-	209	-	-
Female	10	-	-	9	-	-
<b>Total</b>	<b>200</b>	<b>-</b>	<b>-</b>	<b>218</b>	<b>-</b>	<b>-</b>

10. Health and Safety Management System:

<p>a) Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?</p>	<p>Yes. The Occupational Health and Safety (OHS) Management System is based on ISO 45001:2018 covering both the manufacturing locations: i) Amdoshi, Maharashtra and ii) Manali, Chennai, Tamil Nadu.</p>
--	---



<p><b>b) What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?</b></p>	<p>SPL has established a mechanism and process to identify work-related hazards by undertaking a hazard identification and risk mapping assessment, including impact assessment and necessary control measures for the identified risk. The work-related hazard and risk assessment is carried out for all kinds of routine and non-routine activities of employees, managerial personnel, and workers having access to workplace, provided by the organization. Various Risk Assessment Techniques such as Hazard Identification and Risk Assessment (HIRA), Process Hazard Analysis (PHA), Hazard and Operability Study (HAZOP), Hazard identification studies (HAZID), Quantitative Risk Assessments (QRA), What If, Pre-Start Up Safety Review (PSSR), Chemical Risk Assessment (CRA), Job Safety Analysis (JSA), etc., are applied to identify hazards.</p>
<p><b>c) Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Yes/ No)</b></p>	<p>Yes. Employees are encouraged to raise concerns related to HSE such as unsafe act or condition, violation of safety rules/ procedures, situations of imminent danger, defective fire, and safety equipment etc., by issuing a “Close Call” or “Near miss report “which is attended immediately on its reporting to respective and HSE departments.</p> <p>Employees are consulted in development and review of HSE policies and objectives during safety committee meetings, HSE trainings and HSE review meetings etc. Employees participate in hazard identification, risk assessment and determination of risk controls in their respective areas of work.</p> <p>HSE Suggestion scheme is also utilized by the employees to improve working conditions.</p>
<p><b>d) Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)</b></p>	<p>Yes.</p> <p>All employees and workers of the Company are covered under non-occupational medical and healthcare services and insurance policy.</p>

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

Safety Incident/Number	Category	Current FY	Previous FY
		2021-22	2020-21
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0	0
Total recordable work-related injuries	Employees	0	0
	Workers	0	0
Number of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

Supreme Petrochem Ltd, maintains high standards of OHS management system and reinforces safety measures on periodical manner to all its employees and workers, which has resulted in Zero Incident in previous (2020-21) and current financial year (2021- 22).

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

Supreme Petrochem Ltd. believes in the significance of maintaining highest safety while performing its business operations. Safety, employee well-being, and business operations are always reckoned together in the Company. The Occupational Health and Safety (OHS) framework of governance includes the following points:

- Defining Roles and Responsibilities
- Establishing and maintaining culture, standards, and values

- Consideration of strategic implications on business
- Considering and evaluating performance management
- Low risk areas are equally considered with major hazards and high-risk areas to minimize incidents.
- Along with high probability slips, trips, fall hazards low probability risk are considered due to their high impact on the business. SPL eliminates/ minimizes low probability risks by adopting following mechanism:
- Elimination of risk through proper engineering controls
- Assessing and continuously enhancing employee competency and experience through training and re-training of employees
- Strictly adhering to established SOPs
- Implementing management level and operational level strategies for preventing Low-Probability Accidents
- Strict vigil on and practice of use of personal protective equipment
- Ensuring preparedness for low probability risk results
- Planning of contingency
- Reviewing and updating the emergency response planning
- Strong system of EHS monitoring
- Redundancy in design and development of processes
- Ensuring that good practices are followed.
- Ensuring that legal requirements are met.
- Pursuing opportunities for significant risk reductions in process.
- Verifying that a system is in place to manage the residual risk once all the agreed risk reduction measures have been taken

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

	Current FY 2021-22			Previous FY 2020-21		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	2	0	Resolved	2	0	Resolved
Health & Safety	0	0	No complaint	1	0	Resolved

**14. Assessments for the year:**

	% Of your plants and offices that were assessed. (by entity or statutory authorities or third parties)
Health and safety practices	100% of Supreme Petrochem Ltd Manufacturing site/ location have been assessed.
Working Conditions	100% of Supreme Petrochem Ltd Manufacturing site/ location have been assessed.

- 15. Provide details of any corrective action taken or underway to address safety related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.**
- During the assessment by the third parties, no safety-related incidents were observed by the assessing party.
  - SPL has a well-established procedure for reporting and investigation of accidents (work injuries) and incidents.
  - Details of work injuries and incidents along with recommendations of the investigation reports are communicated to all departments to review applicability of recommendation in their respective area and initiate corrective-preventive actions accordingly to avoid recurrence and horizontal deployment of corrective actions in their department.



**Leadership Indicators**

<b>1. Does the entity extend any life insurance or any compensatory package in the event of death of? (Y/N)</b>	
<b>A) Employees:</b>	Yes, Benevolent Fund <i>As an added advantage, the Company pays Gratuity up to the retirement age of an employee, in case of employee's demise during the service period</i>
<b>B) Workers:</b>	Yes, Workmen Compensation Act

<b>2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.</b>	
<p>1. Supreme Petrochem Ltd, on behalf of its value chain partners pays the applicable taxes with interest to the government in case it is not deposited by its partners and recovers the amount from the defaulting value chain partner in a stipulated period.</p> <p>2. In the Company, compliance to regulatory requirements is taken very seriously and have separate dedicated team oversees this activity, including compliance with GST.</p>	

**3. Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

Category	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable Employment	
	FY 2021- 22	FY 2020- 21	FY 2021- 22	FY 2020- 21
Employees	0	0	0	0
Workers	0	0	0	0

<b>4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)</b>	
Yes, the Company believes in supporting and handholding its employees who are nearing their retirement, e.g., Retainership Programs in case of retired employees based on business needs and expertise of the retiring employee.	

**5. Details on assessment of value chain partners:**

	<b>% Of value chain partners that were assessed: (By value of business done with such partners)</b>
Health and safety practices	Not Available
Working Conditions	Not Available

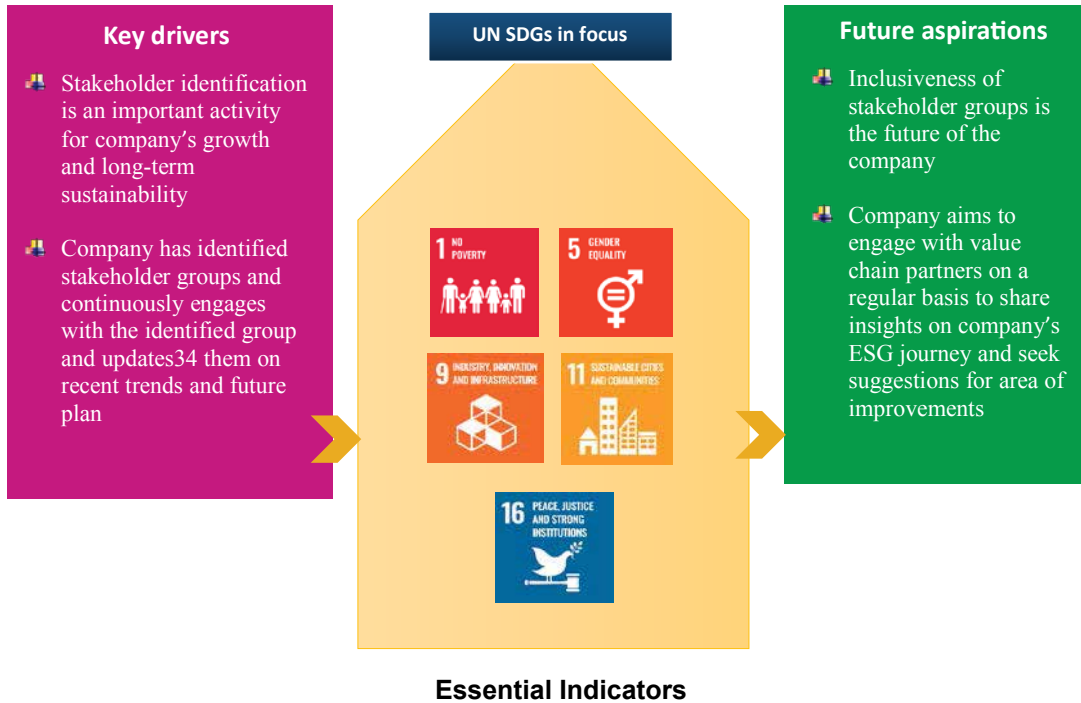
During the current Financial Year 2021-22, the Company's value chain partners were not separately assessed on health and safety practices and working conditions, however, the Company is ISO-certified and as part of the activity, its value chain partners were also reviewed on key parameters.

<b>6. Provide details of any corrective actions taken or underway to address significant risks concerns arising from assessments of health and safety practices and working conditions of value chain partners.</b>	
Not Applicable since SPL didn't carry out any assessment for its value chain partners.	



## STAKEHOLDER INCLUSIVENESS

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



- Describe the processes for identifying key stakeholder groups of the entity.**  
The Company has an internal process to identify stakeholder groups or institutions that add value and/or impact business performance in medium and long term. The Company has inter-alia identified stakeholder groups such as employees, workers, shareholders, investors, customers, and communities that impact and on whom the business has an impact on.
- List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

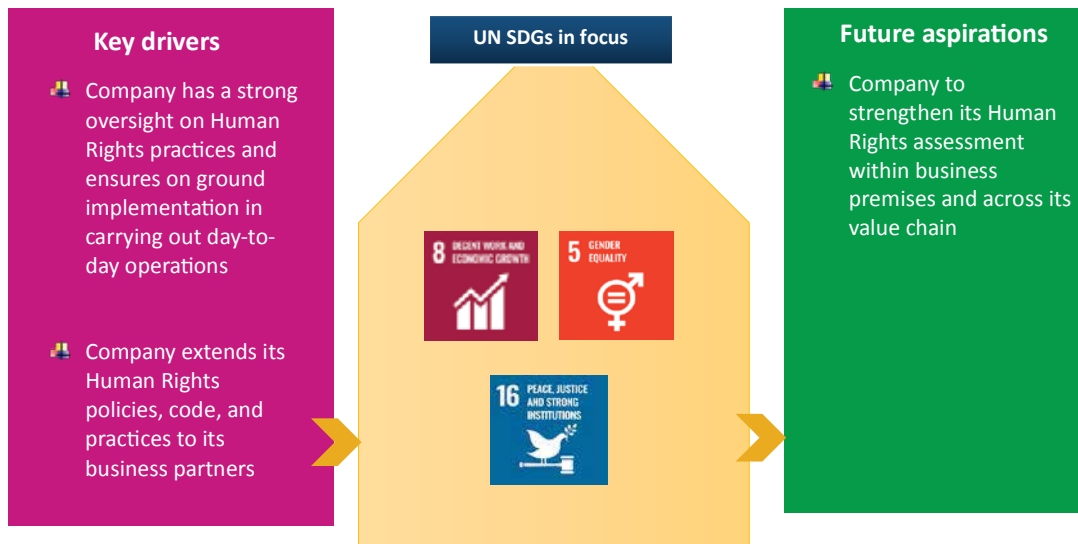
Stakeholder Group	Whether identified as Vulnerable & Marginalized Group. (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees and Worker	No	engagement forums and one-on-one interactions	Daily and Need-based	Inform about business plans and future strategies
Shareholders/ Investors	No	Annual General Meeting (AGM), Notice board, Email, and website	Annual and Need based	To stay abreast of all developments and plans of the Company
Communities	Yes	Interactions through NGOs and direct interactions	Project based	Support socially high impact projects
Customers	No	Multiple channels- in person meetings and digital platform	Annual and Need based	Continuously engage with customers and seek feedback

**Leadership Indicators**

1.	<p><b>Provide the processes for consultation between stakeholders and the Board on economic environmental and social topics or if consultation is delegate how is feedback from such consultations provided to the Board.</b></p>	
	<p>Supreme Petrochem Ltd maintains strong and valuable relationship with all its stakeholder groups and continuously engages with its diverse stakeholders to keep them apprised about their business strategies, potential risks and opportunities, and future roadmap. As a business practice, departmental heads interact with their set of internal and external stakeholders on regular intervals, which is then consolidated and shared as stakeholder insight with top management and subsequently with Board Members to take appropriate steps and actions as required and plan sustainability strategies accordingly.</p>	
2.	<p>2a. Whether stakeholder consultation is used to support the identification and management of environmental and social topics (Yes / No).</p>	<p>Yes. In the current Financial Year 2021-22, a comprehensive stakeholder engagement was undertaken to identify key environment social and governance (ESG) topics i.e., material topics of the Company.</p>
	<p>2b. If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.</p>	<p>SPL makes continuous efforts to engage with different stakeholder group to gauge their opinion on company's ESG performance and future areas of intervention/s.</p>
3.	<p><b>Provide details of instances of engagement with and actions taken to address the concerns of vulnerable/marginalized stakeholder groups.</b></p>	
	<p>SPL prioritizes all its stakeholder groups and ensures a fair, just, and non-discriminatory treatment to all stakeholder needs and concerns. As a principle, employment is provided to a candidate from marginalized community group with appropriate qualification and experience. As part of the CSR program, stakeholder interactions with local authorities and vulnerable communities to identify community needs and design a comprehensive CSR intervention for their welfare and development.</p>	

**HUMAN RIGHTS**

**Principle 5: Businesses should respect and promote human rights**



### Essential Indicators

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

Category	FY 2021-22			FY 2020-21		
	Total (A)	No. employees / workers covered (B)	% (B/A)	Total (C)	No. employees / workers covered (D)	% (D/C)
<b>Employees</b>						
Permanent	382	382	100%	359	359	100%
Other than permanent	26	26	100%	27	27	100%
<b>Total Employees</b>	<b>408</b>	<b>408</b>	<b>100%</b>	<b>386</b>	<b>386</b>	<b>100%</b>
<b>Workers</b>						
Other than permanent	200	200	100%	218	218	100%
<b>Total Workers</b>	<b>200</b>	<b>200</b>	<b>100%</b>	<b>218</b>	<b>218</b>	<b>100%</b>

Note: the training pertains to Code of Conduct and the Human Rights Statement of the organization

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

Category	FY 2021-22					FY 2020-21				
	Total (A)	Equal to Minimum Wages		More than Minimum Wages		Total (D)	Equal to Minimum Wages		More than Minimum Wages	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (G)	% (G/F)
<b>Permanent Employees</b>										
Male	359	-	-	359	100%	337	-	-	337	100%
Female	23	-	-	23	100%	22	-	-	22	100%
<b>Total</b>	<b>382</b>	<b>-</b>	<b>-</b>	<b>382</b>	<b>100%</b>	<b>359</b>	<b>-</b>	<b>-</b>	<b>359</b>	<b>100%</b>
<b>Other than Permanent Employees</b>										
Male	24	-	-	24	100%	25	-	-	25	100%
Female	2	-	-	2	100%	2	-	-	2	100%
<b>Total</b>	<b>26</b>	<b>-</b>	<b>-</b>	<b>26</b>	<b>100%</b>	<b>27</b>	<b>-</b>	<b>-</b>	<b>27</b>	<b>100%</b>
<b>Other than Permanent Workers</b>										
Male	190	-	-	190	100%	209	-	-	209	100%
Female	10	-	-	10	100%	9	-	-	9	100%
<b>Total</b>	<b>200</b>	<b>-</b>	<b>-</b>	<b>200</b>	<b>100%</b>	<b>218</b>	<b>-</b>	<b>-</b>	<b>218</b>	<b>100%</b>

3. Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (₹)	Number	Median remuneration/ salary/ wages of respective category (₹)
<b>Board of Directors (Body)</b>	10*	*	1	*
<b>Key Managerial Personnel</b>	4**	200.29 lakhs per annum	0	-
<b>Employees other than Body and KMP</b>	356	6.59 lakhs per annum	23	7.60 lakhs per annum
<b>Workers</b>	190	12,750 (per month)	10	12,750 (per month)

\* Board of Directors, except Shri K. V. Mujumdar, are given sitting fees of ₹ 1 Lakh for attending each Board Meeting & ₹ 0.50 Lakh for each committee meeting.

\*\* Shri K. V. Mujumdar (WTD) falls under the category of Director and KMP both.



4. **Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)** Yes.  
Head of Human Resource is responsible for addressing any non-compliance of human rights in the Company.

5. **Describe the internal mechanisms in place to redress grievances related to human rights issues.**  
Human Rights is cornerstone of the company's ethical values embedded in their day-to-day business operations. Company has developed a Human Rights policy with laid down do's and don't's and mechanism in place to address human rights violation, which extends to its value chain partners too.  
The Head of Human Rights department is responsible for identifying, validating, and addressing the grievance raised by an employee, worker, and business partners. To effectively carry out grievance validity and take effective action, it is imperative for HR to engage with department/ functional heads to understand the case and take appropriate remedial actions.

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

	FY 2021-22			FY 2020-21		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0	N/A	0	0	N/A
Discrimination at workplace	0	0	N/A	0	0	N/A
Child Labour	0	0	N/A	0	0	N/A
Forced/ Involuntary Labour	0	0	N/A	0	0	N/A
Wages	0	0	N/A	0	0	N/A
Other human rights related issues	0	0	N/A	0	0	N/A

Supreme Petrochem Ltd stands strong to its ethical conduct, principles, and core values which has resulted in zero complaints on harassment, child labour, forced labour, discrimination, and working conditions during Financial Year 2021- 22.

7. **Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**  
The Company has laid down policies against discrimination, including Prevention of Sexual Harassment (POSH) policy. To ensure a safe and non-discriminatory work environment for its employees and workers the Company undertakes awareness and training sessions on various topics like conducive work environment, POSH training, non-discrimination practices and so on. The Company has a separate POSH Committee to oversee business operations and ensure safe and non-discriminatory practices across entire business line and value chain.

8. **Do human rights requirements form part of your business agreements and contracts? (Yes/No)**  
Company at this point does not cover human rights clause in its commercial contracts, but on case-to-case basis does cover aspects of human rights.

9. **Assessments for the year:**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	0
Forced/involuntary labour	0
Sexual harassment	0
Discrimination at workplace	0
Wages	0
Others – please specify	0



**10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.**

SPL maintains high standards of Human Rights compliance in business operations and across value chain, which resulted in Zero instances of non-compliance on Human Rights elements. The Company has laid down strong policies, procedures, and internal controls to redress and take appropriate corrective actions, in case of complaint or non-compliance.

**Leadership Indicators**

**1. Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints.**

The Company neither received any complaint or any case of grievance was recorded during FY 2021-22, further-more, SPL has comprehensive policies and internal controls in place.

**2. Details of the scope and coverage of any Human rights due diligence conducted.**

During FY 2021-22, no due diligence by external agency was conducted.

**3. Is the premise/office of the entity accessible to differently abled visitors as per the requirements of the Rights of Persons with Disabilities Act 2016?**

At present, there is no differently abled employee as per the Rights of Persons with Disabilities Act, 2016 in SPL.

**4. Details on assessment of value chain partners:**

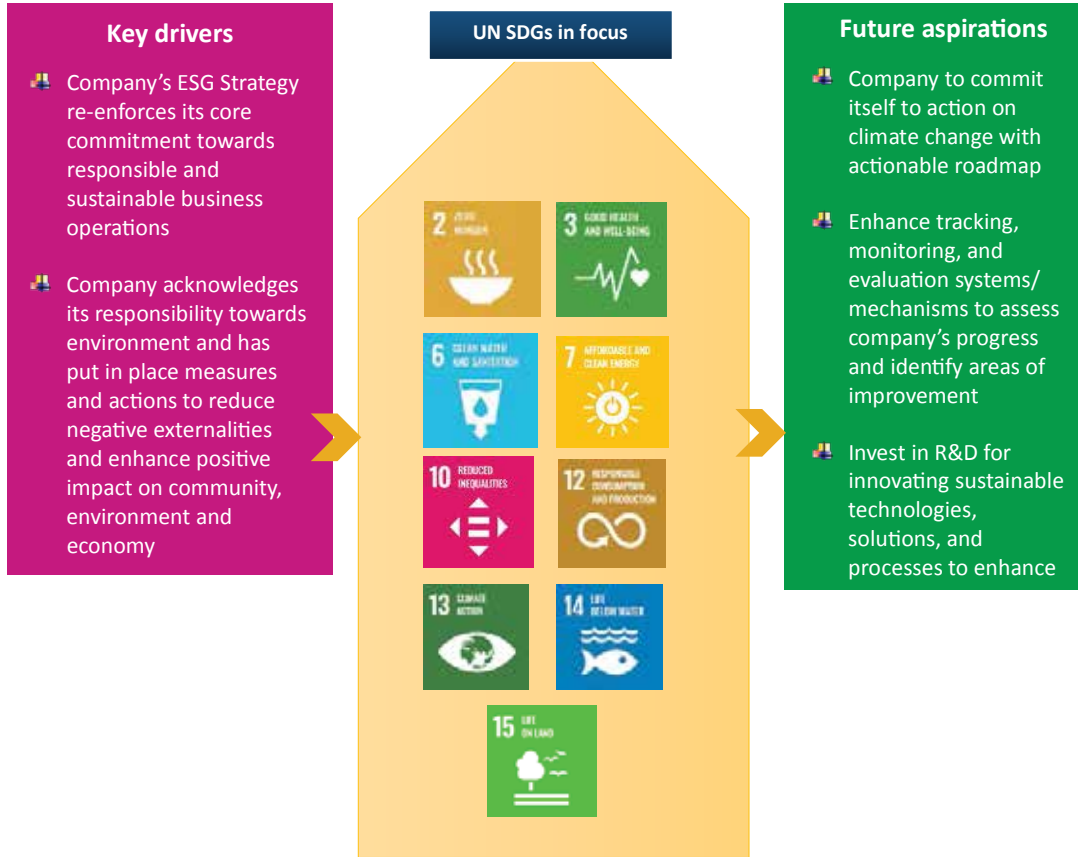
	<b>% Of value chain partners (by value of business done with such partners) that were assessed</b>
Sexual Harassment	0
Discrimination at workplace	0
Child Labour	0
Forced Labour/Involuntary Labour	0
Wages	0
Others – please specify	0

**5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

Not Applicable

**ENVIRONMENT SUSTAINABILITY**

**Principle 6: Businesses should respect and make efforts to protect and restore the environment**



**Essential Indicators**

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

Parameter	FY 2021 – 22 (in GJ)	FY 2020 – 21 (in GJ)
Total electricity consumption (A)	159,782	144,589
Total fuel consumption (B)	156630	140748
Energy consumption through other sources (C)	0	0
Total energy consumption (A+B+C)	316412	285337
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	0.000008289	0.000010756

Whether any independent assessment carried out by an external agency? No.

<b>2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance Achieve and Trade (PAT) Scheme of the Government of India? (Yes/ No)</b>	If yes, Disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved provide the remedial action taken if any.
Not Applicable	

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

Parameter	FY 2021 – 22	FY 2020 – 21
<b>Water Withdrawn by the source (KL)</b>		
i) Surface Water	514,523	483,766
ii) Ground Water	-	-
iii) 3rd Party Water	54,371	39,817
iv) Seawater/ desalinated water	1,118	7,840
<b>Total Vol of Water Withdrawn (i + ii + iii + iv)</b>	<b>570,012</b>	<b>531,423</b>
<b>Total Vol of Water Consumed (KL)</b>	<b>570,012</b>	<b>531,423</b>
Water intensity per rupee of turnover (Water consumed/turnover)	0.000014933	0.00002003

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

<b>4. Has the entity implemented a mechanism for Zero Liquid Discharge? (Yes/ No)</b>  <b>If yes, Provide details of its coverage and implementation.</b>	Yes.  Company's Amdoshi Works site has initiated the process of installing zero liquid discharge system. At Manali Works site, the entire process water undergoes primary treatment, bio aeration, secondary treatment, UF and RO before being reused in the operation process.
---	---

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

Parameter	Please specify unit of measurement (UoM)	FY 2021 – 22	FY 2020 – 21
NOx*	µg/Nm3	5.58	6.66
SOx*	µg/Nm3	4.88	5.74
Particulate matter PM2.5*	µg/Nm3	41.54	24.93
Particulate matter PM10*	µg/Nm3	52.23	40.19
Volatile organic compounds (VOC)*	mg/Nm3	11.61	14.59
SOx from Stacks	MT/A	45	42

\* The values are averaged from the values recorded over year.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

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

Parameter	Unit	FY 2021 – 22	FY 2020 – 21
<b>Total Scope 1 emissions</b> (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	9640	8598
<b>Total Scope 2 emissions</b> (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	32,656	26,489
<b>Total Scope 1 and Scope 2 emissions per rupee of turnover</b>		<b>0.000000841</b>	<b>0.000001094</b>

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.



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

Yes.

Supreme Petrochem Ltd acknowledges the importance of effectively tackling Greenhouse Gas Emissions (GHGs) to reduce negative impact on environment and promote sustainable development. In this regard, the Company has implemented GHG reduction measures such as replacement of existing lamps by LED lamps, use energy efficient motors and variable frequency drives.

Further, 12% of total electricity consumed by the Company is sourced from renewable energy. The Company plans to increase its renewable energy mix in the total energy consumption source to further reduce GHG emissions.

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

Total Waste generated (in metric tonnes)		
Parameter	Current Financial Year 2021 – 22	Previous Financial Year 2020 – 21
Plastic waste	23.31	29.35
E-waste	1.52	1.26
Bio-medical waste	0.0019	0.00175
Construction and Demolition Waste	0	0
Battery waste	1.47	1.00
Radioactive Waste	0	0
Other Hazardous waste	496	474
<b>Hazardous Waste (Total): (A)</b>	<b>522</b>	<b>506</b>
Non-Hazardous waste: Wooden Scrap	248	379
Non-Hazardous waste: Non-Metallic Scrap	80	83
Non-Hazardous waste: Metallic Scrap	152	115
Non-Hazardous waste: Paper Scrap	22	24
Non-Hazardous waste: Glassware Scrap	0.3	0.18
<b>Non-Hazardous Waste (Total): (B)</b>	<b>503</b>	<b>601</b>
<b>Total (A + B)</b>	<b>1,012</b>	<b>1,087</b>

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Parameter	FY 2021 – 22	FY 2020 – 21
<b>Category of Waste</b>		
(i) Recycled	0	0
(ii) Re-used	12.6	20.0
(iii) Other recovery operations	0	0
<b>Total</b>	<b>0</b>	<b>0</b>



For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Parameter	FY 2021 – 22	FY 2020 – 21
<b>Category of disposal Method: Hazardous Waste</b>		
(i) Incineration	387.26	364.29
(ii) Landfilling	92.61	76.15
(iii) Other disposal operations (sold to SPCB authorized recyclers)	29.52	45.66
<b>Total</b>	<b>509</b>	<b>486</b>
<b>Category of disposal Method: Non-Hazardous Waste</b>		
(i) Incineration	-	-
(ii) Landfilling	-	-
(iii) Other disposal operations (Sold to scrap merchants)	503	601
<b>Total</b>	<b>503</b>	<b>601</b>

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

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

The Company has a documented procedure on sustainably managing the waste generated during business operations.

- Hazardous wastes and bio-medical waste generated are sent for scientific disposal to the Common Hazardous Waste Treatment Storage and Disposal Facility (CHWTSDF) approved by the State Pollution Control Board (SPCB) and Supreme Petrochem Ltd is a member of the CHWTSDF. Further, CHWTSDF carries out various waste disposal methods like landfill and incineration.
- The Company has tie-up with E-waste recyclers who are approved and registered by the State Pollution Control Board (SPCB), all the e-waste generated in the Company is sent to the authorized recycler for further process and effective management.
- Adhering to The Batteries (Management and Handling) Amendment Rules, 2010, the generated battery waste is sent to registered recycler, approved by the State Pollution Control Board (SPCB).

Further, SPL has adopted a strategy for its products to conform to the following standards:

- RoHS Directive (EU) 2015/863 amending Annex II to Directive 2011/65/EL
- EU REACH Regulation (EC) No. 1907/2006, Article 33 (1) Obligation to provide information of safe use.
- FDA - Commission Regulation (EU) No. 10/2011 of 14 January 2011, EU 2015/174, EU 202/2014, EU 1183/2012 & EU 1282/2011 & Article 3 of European Regulation No. 1935/2004.
- US FDA - 21.CFR.176.170

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

Supreme Petrochem Ltd plants and offices are not located in or around ecologically sensitive areas. Further, as per the Environment Impact Assessment (EIA) study undertaken by the Company, there was neither significant direct nor indirect impacts of the business operations on biodiversity at SPL's Amdoshi Works site.

Location of operations/ offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
NIL	-	-
NIL	-	-



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

The Company has not undertaken any Environment Impact Assessment of its project during the current financial year 2021-22, however, it had conducted its EIA during FY 2019-20, details of the same are mentioned below:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)
Expansion in manufacturing capacity of existing products and addition of new products under the category of synthetic resins (under the activity of synthetic organic chemicals industry (5f) as per EIA notification of September 2006)	S.O.1533 Dated: 14 September 2006	16 November 2019	Yes	Yes

**12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder.**

The Company is compliant with all the applicable environment laws and regulations.

Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
NIL			

**Leadership Indicators**

**1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:**

Parameter	FY 2021 – 22 (in GJ)	FY 2020 – 21 (in GJ)
<b>From Renewable Sources</b>		
Total electricity consumption (A)	10,969	23,881
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
<b>Total energy consumed from renewable sources (A+B+C)</b>	<b>10,969</b>	<b>23,881</b>
<b>From Non-Renewable Sources</b>		
Total electricity consumption (D)	148,814	120,792
Total fuel consumption (E)	156,630	140,748
Energy consumption through other sources (F)	-	-
<b>Total energy consumed from non-renewable sources (D+E+F)</b>	<b>305,444</b>	<b>261,540</b>

Whether independent assessment / evaluation / assurance has been carried out by an external agency - No

2. Provide the following details related to water discharged:

Parameter	FY 2021 – 22	FY 2020 – 21
<b>Water discharge by destination and level of treatment (KL)</b>		
Others	<p><u>For SPL Amdoshi Works Site:</u> Discharge into Amba river Estuary during monsoon period/ on land for gardening/ green belt development during non-monsoon period.</p> <p><u>For SPL Manali Works Site:</u> Treated sewage used for gardening within the premises as approved by State Pollution Control Board (SPCB)</p>	<p><u>For SPL Amdoshi Works Site:</u> Discharge into Amba river Estuary during monsoon period/ on land for gardening/ green belt development during non-monsoon period.</p> <p><u>For SPL Manali Works Site:</u> Treated sewage used for gardening within the premises as approved by State Pollution Control Board (SPCB)</p>
- No treatment		
- With treatment: Tertiary treatment	-	-
<b>Total Water discharged (KL)</b>	-	-

Whether independent assessment/ evaluation/assurance has been carried out by an external agency - No

3. Water withdrawal, consumption, and discharge in areas of water stress (in kiloliters):

Not Applicable. Supreme Petrochem Ltd's operation sites are not in water stressed regions nor water is withdrawn, consumed, nor discharged from/ in water stressed areas.

4. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit of Measurement (UoM)	FY 2021 – 22	FY 2020 – 21
<b>Total Scope 3 emissions</b> <i>(Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)</i>	Metric tonnes of CO2 equivalent	--	--
<b>Total Scope 3 emissions per rupee of turnover</b>		--	--
<b>Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity</b>		--	--

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along with prevention and remediation activities.

Not Applicable.

Supreme Petrochem Ltd operations are not located in or around ecologically sensitive areas. Further, as per the Environment Impact Assessment (EIA) study undertaken by the Company, there was neither significant direct nor indirect impacts of the business operations on biodiversity at SPL's Amdoshi Works site.

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Initiative undertaken	Details of the initiative <i>(Web-link, if any, may be provided along-with summary)</i>	Outcome of the initiative
Reduction in Electrical Energy Consumption 2021-22	<ul style="list-style-type: none"> <li>• Replacing HPMV, HPSV, CFL and MH fittings with LED fittings across all offices and site locations.</li> <li>• Replacing existing induction motors with energy efficient induction motors</li> <li>* Provision of VFDs to DOL/ star-delta motors</li> </ul>	Saving of 224 MWh units or 809.3484 GJ



<b>Initiative undertaken</b>	<b>Details of the initiative</b> <i>(Web-link, if any, may be provided along-with summary)</i>	<b>Outcome of the initiative</b>
Zero Liquid Discharge (ZLD) Revamp	Technical upgradation and improvement in zero liquid discharge (ZLD) plant during FY 2021- 22	Wastewater treatment improvement using more efficient technology. This has resulted into more consistent quality of recycled water for process at lower energy consumption.
Hydrocarbon Detection 2021-22	Installation of Hydrocarbon Detector	Improvement in monitoring in plant area and around the boundary of the complex. This has resulted into improved earlier detection of hydrocarbon and subsequently the response time in case of emergency.
Steam Network Improvement 2021-22	Steam Network Improvement	Energy saving achieved due to improvement in steam network by upgrading the pipeline insulation and improvement in performance of steam traps to avoid steam losses. Recycling of steam condensate without loss of temperature is achieved under the condensate recovery system.
Wastewater Treatment Improvement 2020-21	<ul style="list-style-type: none"> <li>• Membrane bioreactor system on trial</li> <li>• Reverse Osmosis Membrane</li> </ul>	Wastewater Treatment Improvement
Process Emission Control 2020-21	Mechanical Seal provision for reactors	Improved Process Emission Control

**7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.**

Supreme Petrochem Ltd (SPL) has developed Onsite Emergency Management Plan for enhanced emergency preparedness and response. Off-site emergency plan has been prepared and submitted to The Honorable District Collectorate. The emergency management plans include the natural disasters like flood, earthquake, etc., and adequate information regarding safety measures, do's and don'ts, emergency contact numbers, identification plan, evaluation mechanism and response to various potential emergency situations are inter-alia included as part of the plan. In addition, the plan also comprises of transport emergency strategy for vehicles which are carrying raw material and finished goods to/ from the Company site premises. The Company also has a 'Disaster Recovery' setup in place for data security and management.

**8. Disclose any significant adverse impact to the environment arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?**

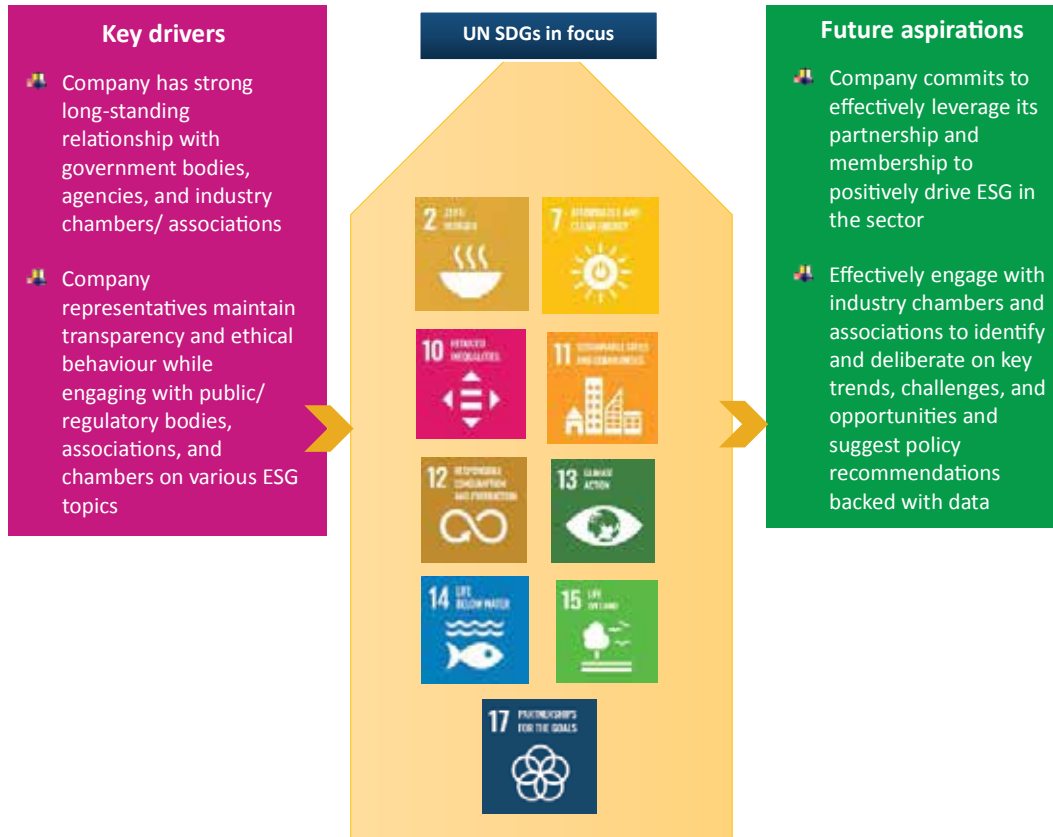
There are no significant adverse impacts to the environment due to the plant operations. Considering the value chain, Supreme Petrochem Ltd (SPL) has developed transport emergency management plans for vehicles which carry hazardous raw material to the plant/ site locations.

**9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

Not Applicable

**RESPONSIBLE PUBLIC ADVOCACY**

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



**Essential Indicators**

1. a. **Number of affiliations with trade and industry chambers/ associations.**  
6 (Six)

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

Sr. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Confederation of Indian Industries (CII)	National
2	Chemical and Petrochemical Manufacturers Association (CPMA)	National
3	Organization of Plastic Processors of India (OPPI)	National
4	The Plastics Export Promotion Council (Plexconcil)	National
5	The Bombay Chamber of Commerce and Industry (BCCI)	State
6	ICPE (Env.)	National

c. **Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities.**  
SPL adheres to policies and procedures to ensure that there are no instances of non-compliance with anti-competitive behavior throughout the organization.

**Leadership Indicators**

<b>1.</b>	<b>Details of public policy positions advocated by the entity:</b>
	None during Current Financial Year 2021- 22.

**INCLUSIVE & EQUITABLE DEVELOPMENT**

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



**Essential Indicators**

<b>1.</b>	<b>Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.</b>
	During the Financial Year 2021-22, no Socio-Economic Impact Assessment for its projects.
<b>2.</b>	<b>Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&amp;R) is being undertaken by your entity, in the following format:</b>
	SPL in the current Financial Year 2021-22 has not engaged in any land acquisition activity.
<b>3.</b>	<b>Describe the mechanisms to receive and redress grievances of the community.</b>
	Public Relations Department at SPL Factory, Nagothane is responsible for receiving and redressing any grievance/s from the community in an effective, conducive, and timely manner (if any).



<b>4.</b>	<b>Percentage of input material (inputs to total inputs by value) sourced from suppliers:</b>
Supreme Petrochem Ltd (SPL) sources less than 1% of its total value from MSMEs.	

**Leadership Indicators**

<b>1.</b>	<b>Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):</b>
Not Applicable since Company did not undertake any Social Impact Assessment (SIA) for its CSR Projects during the FY 2021-22.	

<b>2.</b>	<b>Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:</b>
Currently no CSR programs/ interventions are being implemented in Aspirational Districts, as listed down by NITI Aayog, Government of India.	

<b>3.</b>	<b>a. Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)</b>	No. Company does not promote preferential procurement policy. Suppliers are selected based on Company requirement and supplier assessment.
	<b>b. From which marginalized /vulnerable groups do you procure?</b>	Not Applicable.
	<b>c. What percentage of total procurement (by value) does it constitute?</b>	Not Applicable.

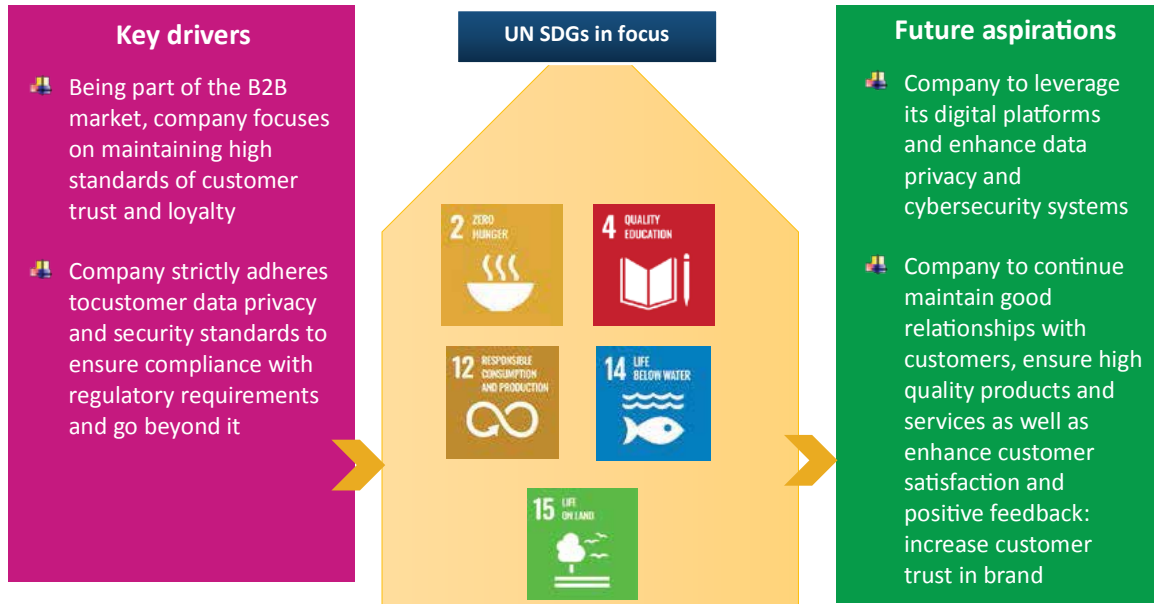
<b>4.</b>	<b>Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:</b>
Not Applicable.	

<b>5.</b>	<b>Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved</b>
Not Applicable.	

<b>6. Details of beneficiaries of CSR Projects:</b>		
CSR Projects	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
Initiation of activities related to provision of Primary Health Center at nearby village	10,000	80%
Providing medical assistance for COVID care facilities	16,000	80%
Provision of ambulance for COVID care	10,000	80%
Provision of E-learning facilities for Schools	450	90%
Provision of Anganwadies	150	100%
Provision of Public Toilets for nearby villages	350	100%

**CONSUMER WELLBEING**

**Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner.**



**Essential Indicators**

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

Supreme Petrochem Ltd (SPL) has a detailed and comprehensive mechanism to address the customer complaints and resolve the concerns and issues at the highest priority, without escalating the matter.

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

SPL operates in a B2B market and as a standard good practice, the Company provides its customers with a User Guidebook encompassing technical know-hows, safe usage and disposal information and other socio-environmental parameters.

	<b>As percentage of manufacturing turnover</b>	<b>As a percentage to total turnover*</b>
Environmental product and social parameters relevant to the Product	100%	76%
Safe and responsible usage	100%	76%
Recycling and/or safe disposal	100%	76%

*Note- \*: 24% of turnover coming from trading.*

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

Supreme Petrochem Ltd (SPL) maintains good relationship with its customer base and with its timely support, effective information dissemination, and continuous engagement, the Company has been able to maintain its stand of Zero Consumer complaints for last 2 financial years.





	FY 2021 – 22			FY 2020 – 21		
	Received during the year	Pending resolution at end of year	Remark	Received during the year	Pending resolution at end of year	Remark
Data privacy	0	0	-	0	0	-
Advertising	0	0	-	0	0	-
Cyber-security	0	0	-	0	0	-
Delivery of essential services	0	0	-	0	0	-
Restrictive Trade Practices	0	0	-	0	0	-
Unfair Trade Practices	0	0	-	0	0	-
Other	0	0	-	0	0	-

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

	Number	Reason for Recall
Voluntary Recall	0	N/A
Forced Recall	0	N/A

<b>5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No)</b>	Yes. SPL has an internal framework developed on mitigation of cybersecurity and associated risks.
	<b>If available, provide a web-link of the policy.</b> Not available in public domain.

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

SPL has Zero tolerance towards unethical or malpractices of any form of business operation, marketing, or data privacy norms. The Company maintains high standards in conducting its business and while engaging with stakeholders to ensure compliance with regulatory norms. During FY 2021-22, there were no such instances or complaints.

**Leadership Indicators**

<b>1. Channels / platforms where information on products and services of the entity can be accessed (provide web link if available).</b>
Official Website: <a href="http://www.supremepetrochem.com">www.supremepetrochem.com</a>

<b>2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.</b>
Processing guidelines & Troubleshooting Guide is shared with the Customers to enhance their processing knowledge about the product.

<b>3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.</b>
In case of any potential risk of business disruption or discontinuation, Company informs the consumers through e-mail Notification and place it on Stock Exchange Portals, as per regulatory requirements, for general awareness.

<b>4. a. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable)</b>	No
<b>b. If yes, provide details in brief.</b>	Not Applicable
<b>c. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)</b>	Yes. Customer Satisfaction Survey is conducted every 2 years for Domestic and International Customers to understand the actual Customer requirements.

<b>5. Provide the following information relating to data breaches:</b>	
<b>a. Number of instances of data breaches along-with impact</b>	0
<b>b. Percentage of data breaches involving personally identifiable information of customers</b>	0



INDEPENDENT AUDITOR'S REPORT

To the Members of Supreme Petrochem Limited
Report on the Standalone Financial Statements

Opinion

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

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards specified under section 133 of the Act ("Ind AS"), of the state of affairs of the Company as at March 31, 2022 and its profit (including other comprehensive income), changes in equity and its 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 Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 key audit matters to be communicated in our report.

Table with 2 columns: Key Audit Matter description, How the scope of our audit responded the key audit matter. Row 1: Valuation of inventory: Inventory forms a significant part i.e. 13.20% of the Company's total assets. Inventory comprises of Raw Materials, Finished Goods, Stock in process and Stores and Spares. Inventories are valued at lower of cost and net realisable value. Styrene Monomer is the main raw material for the Company. Styrene Monomer, which is imported, is subject to high price fluctuation risk as well as foreign currency risk. The volatility in the prices of Styrene Monomer may significantly impact the valuation of not only Raw material but also other items of inventory. In determining the net realisable value, the management uses data of sales of finished good available which is a management estimate. We have considered this as a key audit matter due to the significance in the amount of inventory and volatility in the prices of Styrene Monomer.

Information Other than the Standalone Financial Statements and Our Report thereon

The Company's Board of Directors is responsible for the other information. The Other Information comprises of the Directors' Report and Management Discussion & Analysis (but does not include the standalone financial statements and our report thereon), which we obtained prior to the date of this report. Our opinion on the standalone financial statements does not cover the Other Information and we do not and 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 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.

If, based on the work we have performed on the Other Information that we obtained prior to the date of this auditor's report, we conclude that if there is a material misstatement of this Other Information, we are required to report that fact. We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity, cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making 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 financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless 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 skepticism throughout the audit. We also

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) 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 financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of the misstatement 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 evaluating the results of our work; and (ii) to evaluate the effects 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 the paragraph 3 and 4 of the Order.
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 Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flows and the Statement of Changes in Equity 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 Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014;
  - e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its standalone financial position in its standalone financial statements. Refer Note 40 to the financial statements;
  - ii. The Company has made provisions, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts to the standalone financial statements; and
  - 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 person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.  
(b) As stated in note no. 55 the management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing

has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act.

v. As stated in Note 17.10 to the standalone financial statements

- (a) The final dividend proposed for the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act.
- (b) The interim dividend declared and paid by the Company during the year and until the date of this report is in compliance with Section 123 of the Act.
- (c) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual

**For G. M. Kapadia & Co.**  
*Chartered Accountants*  
Firm Registration No.104767 W

**Rajen Ashar**  
*Partner*  
Membership No. 048243  
UDIN: 22048243AHWXAO1010

Place: Mumbai

Dated this 27 day of April, 2022



**ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT  
OF OUR REPORT OF EVEN DATE**

**Referred to in paragraph 1 under 'Report on Other Legal & Regulatory Requirements' of our report on even date to the members of the Company on standalone financial statements for the year ended March 31, 2022**

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property plant and equipment.
- (B) The Company has maintained proper records of Intangible assets showing full particulars of such assets;
- (b) As informed to us, the property plant and equipment and right-to-use assets have been physically verified by the management during the period according to a phased programme. In our opinion, such programme is reasonable having regard to the size of the Company and the nature of its assets. We have been further informed that no material discrepancies were noticed on such verification by the management between the book records and physical verification.
- (c) Based on our examination of the property tax receipts and lease agreement for land on which building is constructed, registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title in respect of self-constructed buildings and title deeds of all other immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date
- (d) The Company not has revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Accordingly, paragraph 3(i)(d), of the Order are not applicable;
- (e) As represented by the management there are no proceedings initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) (a) Inventories have been physically verified during the year by the management during the year and at the year end. In our opinion, the coverage and procedure of verification is reasonable; and  
The discrepancies noticed on physical verification in each class of Inventory as compared to the book records were not material (less than 10%) having regards to size and nature of operations and have been properly dealt with in the books of account;  
As stated in note no. 54 the Company has been

sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets during the year. We have observed that there are no discrepancies in the revised quarterly statements filed by the Company with such banks as compared to the books of account maintained by the Company. However, we have not carried out a specific audit of such statements.

- (iii) The Company has made investments in, companies, firms, Limited Liability Partnerships, and granted unsecured loans to other parties, during the year,
  - (a) (A) The Company does not have any subsidiaries, joint ventures and associates and hence reporting under clause 3(iii)(a) (A) of the Order is not applicable.;
  - (B) details of investments in, companies, firms, Limited Liability Partnerships, and granted unsecured loans to other parties, during the year are as under:

(₹ in Lakhs)

	Guarantees	Security	Loans	Advances in nature of loans
Aggregate amount granted/ provided during the year				
- Subsidiaries				
- Joint Ventures				
- Associates				
- Others			5500.00	
Balance outstanding as at balance sheet date in respect of above cases				
- Subsidiaries				
- Joint Ventures				
- Associates				
- Others			5500.00	

- (b) In our opinion, the investments made and the terms and conditions of the grant of loans, during the year are, prima facie, not prejudicial to the Company's interest
- (c) In respect of loans and advances in the nature of loans, the schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts are regular;
- (d) In respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

- (e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- (f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii) (f) is not applicable.
- (g) The Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.
- (iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- (v) In our opinion and according to the information and explanations given to us, the Company has complied with the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under, to the extent applicable. We are informed by the Management that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal in this regard.
- (vi) We have broadly reviewed accounts and records maintained by the Company pursuant to rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Act, in respect of Company's products to which the said rules are made applicable and are of the opinion that, prima facie the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of records with a view to determine whether they are accurate.
- (vii) (a) According to the information and explanations given to us and according to the records of the Company examined by us, in our opinion, the Company is generally regular in depositing with the appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax and Goods and Services Tax. According to the information and explanations given to us, no undisputed amounts payable in respect of aforesaid dues were outstanding as at March 31, 2022 for a period of more than 6 months from the date they became payable.
- (b) According to the information and explanations given to us, the particulars of statutory dues that have not been deposited on account of disputes are as under:

(₹ in Lakhs)

Sr. No	Statutes	Nature of Dues	Period	Amount (₹ In lakhs)	Forum where disputes pending
1	Service Tax (Finance Act 1994)	Service Tax and penalty	Sep-2013 – May-2015	117.57	CESTAT
2	Tamil Nadu VAT Act, 2006	VAT and penalty.	2009-2010	0.61	Deputy Commissioner (Appeals)
			2010-2011	0.65	Deputy Commissioner (Appeals)
			2011-2012	1.99	Deputy Commissioner (Appeals)
			2012-2013	1.98	Deputy Commissioner (Appeals)
			2013-2014	10.48	Deputy Commissioner (Appeals)
			2014-2015	2.27	Deputy Commissioner (Appeals)
			2015-2016	3.72	Deputy Commissioner (Appeals)
3	GST Act	ITC disallowed	2012-2013	1.19	Additional Commissioner
			2016-2017	16.71	Deputy Commissioner (Appeals)

- (viii) According to the information and explanations given to us, there are no transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) The Company has not defaulted in repayment of dues to the financial institutions, banks and government. The Company has not issued any debentures;
- a) The management has represented that the Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- b) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- c) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- d) The Company does not have any subsidiaries, joint ventures or associate companies. Accordingly, paragraph 3 (ix)(e) of the order is not applicable to the Company;



- e) The Company does not have any subsidiaries, joint ventures or associate companies. Accordingly, paragraph 3 (ix)(f) of the order is not applicable to the Company;
- (x) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) nor any term loan during the period under audit. Accordingly, clause 3(x) of the Order is not applicable.
- (xi) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, no frauds have been noticed or reported during the period by the Company.
- (xii) The Company is not a chit fund or a Nidhi Company. Accordingly, the provision of the clause 3(xii) of the Order is not applicable to the Company.
- (xiii) According to the information and explanation given to us and based on our examination of the records of the Company, transactions with related parties are in compliance with sections 177 and 188 of the Act where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports 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.
- (c) The management has represented that there are no whistle-blower complaints received and accordingly the provision of the clause 3(xiv)(c) of the order is not applicable to the Company.
- (xv) The Company has not entered into any non-cash transactions with directors or persons connected with him covered under the provisions of section 192 of the Act. Accordingly, the provision of the clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi) (a), (b) and (c) of the Order is not applicable.
- (b) The management has represented that there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) 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 Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx) (a) of the Order is not applicable for the year.
- (b) In respect of ongoing projects, the Company has informed us that the unspent Corporate Social Responsibility (CSR) amount as at the Balance Sheet date out of the amounts that was required to be spent during the year has been deposited in a Special Account in compliance with the provision of sub-section (6) of section 135 of the said Act as on the date of this report.

**For G. M. Kapadia & Co.**  
*Chartered Accountants*  
Firm Registration No.104767 W

**Rajen Ashar**  
*Partner*  
Membership No. 048243  
UDIN: 22048243AHWXAO1010

Place: Mumbai  
Dated this 27 day of April, 2022



## ANNEXURE B

**Annexure B - referred to in paragraph 3(g) under "Report on Other Legal and Regulatory Requirements" of our report of even date**

### **Report on the Internal Financial Controls with reference to financial statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")**

#### **Opinion**

We have audited the internal financial controls with reference to financial statements of Supreme Petrochem Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022, based on the internal control over financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI).

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (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 with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") 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 with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness.

Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone 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 with reference to financial statements.

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

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

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

**For G. M. Kapadia & Co.**  
Chartered Accountants  
Firm Registration No.104767 W

**Rajen Ashar**  
Partner  
Membership No. 048243  
UDIN: 22048243AHWXAO1010

Place: Mumbai  
Dated this 27 day of April, 2022



## BALANCE SHEET AS AT MARCH 31, 2022

(₹ in Lakhs)

Particulars	Note No	As at 31-03-2022	As at 31-03-2021
<b>ASSETS</b>			
<b>1. Non-Current Assets</b>			
(a) Property, plant and equipment	2	30,200.51	31,894.80
(b) Capital work-in-progress	3	17,894.43	906.63
(c) Right-to- use Assets	4	3,441.03	3,925.61
(d) Other Intangible assets	5	48.65	63.64
(e) Financial assets			
(i) Loans	6	124.07	85.17
(ii) Other non-current financial assets	7	478.28	536.41
(f) Other non-current assets	8	1,146.56	1,619.47
<b>Total non-current assets</b>		<b>53,333.53</b>	<b>39,031.73</b>
<b>2. Current Assets</b>			
(a) Inventories	9	30,075.57	31,780.80
(b) Financial assets			
(i) Investment in mutual funds and bonds	10	48,378.88	47,028.31
(ii) Trade receivables	11	41,178.46	38,499.16
(iii) Cash and cash equivalents	12	21,753.81	6,607.71
(iv) Bank balances other than (iii) above	13	22,991.07	4,067.24
(v) Loans	14	76.81	64.45
(vi) Other current financial assets	15	6,003.49	5,675.27
(c) Current tax assets (net)		879.45	846.06
(d) Other current assets	16	3,158.46	1,933.04
<b>Total current assets</b>		<b>174,496.00</b>	<b>136,502.04</b>
<b>TOTAL ASSETS</b>		<b>227,829.53</b>	<b>175,533.77</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity share capital	17	3,760.83	9,402.07
(b) Other equity	18	147,802.49	97,082.41
<b>Total equity</b>		<b>151,563.32</b>	<b>106,484.48</b>
<b>LIABILITIES</b>			
<b>1. Non-Current Liabilities</b>			
(a) Financial Liabilities			
(i) Lease Liability	19	1,667.09	2,622.22
(ii) Other financial liabilities	20	331.45	333.77
(b) Provisions	21	342.57	363.94
(c) Deferred tax liabilities (net)	22	3,440.97	3,569.15
<b>Total non-current liabilities</b>		<b>5,782.08</b>	<b>6,889.08</b>

**BALANCE SHEET AS AT MARCH 31, 2022 (Cont'd....)**

(₹ in Lakhs)

Particulars	Note No	As at 31-03-2022	As at 31-03-2021
<b>2. Current Liabilities</b>			
(a) Financial Liabilities			
(i) Lease liability	23	2,056.20	1,483.78
(ii) Trade payables	24		
- Total outstanding dues of micro and small enterprises		11.73	45.15
- Total outstanding dues of creditors other than micro and small enterprises		52,581.67	56,808.97
(iii) Other financial liabilities	25	9,664.69	1,922.60
(b) Current tax liabilities (net)		9.96	128.91
(c) Provisions	26	261.30	246.74
(d) Other current liabilities	27	5,898.58	1,524.06
<b>Total current liabilities</b>		<b>70,484.13</b>	<b>62,160.21</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>227,829.53</b>	<b>175,533.77</b>
<b>Significant Accounting Policies</b>	1		
<b>The accompanying notes are an integral part of the financial statements.</b>			

As per our report of even date.

For **G. M. Kapadia & Co**  
Chartered Accountants  
Firm's Reg. No.104767W

**Rajen Ashar**  
Partner  
Membership No. 048243

Place : Mumbai  
Date : April 27, 2022

**N. Gopal**  
Executive Director (Styrenics) & Manager

**Rakesh Nayyar**  
Executive Director  
(Finance & Corporate Affairs) &  
Chief Financial Officer

**D. N. Mishra**  
Company Secretary

**For and on behalf of the Board**

**Rajan B. Raheja**  
**S. J. Taparia**  
**R. Kannan**  
Directors

Place : Mumbai  
Date : April 27, 2022



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Lakhs)

Particulars	Note No	2021-2022	2020-2021
<b>REVENUE</b>			
<b>Revenue from Operations</b>			
Gross Sale		502,205.82	317,849.41
Other Operating Income		1,023.84	667.83
	28	503,229.66	318,517.24
Other Income	29	3,050.12	2,127.88
<b>TOTAL REVENUE</b>		<b>506,279.78</b>	<b>320,645.12</b>
<b>EXPENSES</b>			
Cost of materials consumed	30	270,187.70	159,828.74
Purchase of stock-in-trade	31	113,439.89	68,985.05
Changes in inventories of finished goods and work-in-process	32	813.82	671.66
Employee benefits expenses	33	4,831.25	4,568.37
Finance costs	34	624.00	727.03
Depreciation and amortisation expenses	35	4,185.11	3,914.33
Other expenses	36	23,416.20	17,571.58
<b>TOTAL EXPENSES</b>		<b>417,497.97</b>	<b>256,266.76</b>
<b>Profit Before Tax</b>		<b>88,781.81</b>	<b>64,378.36</b>
<b>Tax Expenses</b>			
Current tax		22,555.67	16,775.75
Deferred tax		(100.35)	(146.56)
<b>Profit After Tax</b>		<b>66,326.49</b>	<b>47,749.17</b>
<b>Other Comprehensive Income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurement of the defined benefit plans		110.60	106.99
Income tax relating to items that will not be reclassified to profit or loss		(27.83)	(26.93)
<b>Total other comprehensive Income</b>		<b>82.77</b>	<b>80.06</b>
<b>Total Comprehensive Income for the period</b>		<b>66,243.72</b>	<b>47,669.11</b>
<b>Earning per share (₹)</b>			
Basic		70.54	50.63
Diluted		70.54	50.63
<b>Nominal Value of Share</b>		<b>4.00</b>	<b>10.00</b>
<b>Significant Accounting Policies</b>	1		
<b>The accompanying notes are an integral part of the financial statements.</b>			

As per our report of even date.

For **G. M. Kapadia & Co**  
Chartered Accountants  
Firm's Reg. No.104767W

**Rajen Ashar**  
Partner  
Membership No. 048243

**N. Gopal**  
Executive Director (Styrenics) & Manager

**Rakesh Nayyar**  
Executive Director  
(Finance & Corporate Affairs) &  
Chief Financial Officer

**D. N. Mishra**  
Company Secretary

Place : Mumbai  
Date : April 27, 2022

For and on behalf of the Board

**Rajan B. Raheja**  
**S. J. Taparia**  
**R. Kannan**  
Directors

Place : Mumbai  
Date : April 27, 2022

## STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Lakhs)

A: EQUITY SHARE CAPITAL	Balance as at 01-04-2021	Changes in equity share capital due to prior period errors	Restated Balance as at 01-04-2021	* Changes in equity share capital during the year	Balance as at 31-03-2022
Particulars					
For the year ended 31-03-2022 (Refer Note No 46)	9,402.07	-	9,402.07	(5,641.24)	3,760.83
	Balance as at 01-04-2020	Changes in equity share capital due to prior period errors	Restated Balance as at 01-04-2020	Changes in equity share capital during the year	Balance as at 31-03-2021
For the year ended 31-03-2021	9,643.61	-	9,643.61	(241.54)	9,402.07
<b>B: OTHER EQUITY</b>	<b>Reserves and Surplus</b>			<b>Other Comprehensive Income</b>	<b>TOTAL</b>
Particulars	Capital Redemption Reserve	General Reserve	Retained Earnings	Remeasurement of defined benefit plans	
Opening balance as on 01-04-2021	1,811.59	74,863.15	20,689.35	(281.68)	97,082.41
Change in Accounting policy / Prior period error	-	-	-	-	-
Restated Opening balance as on 01-04-2021	1,811.59	74,863.15	20,689.35	(281.68)	97,082.41
Capital Redemption Expenses		(10.23)			(10.23)
Total Comprehensive Income for the year			66,326.49	(82.77)	66,243.72
Dividends paid to Share holder			(15,513.41)		(15,513.41)
Transfer to General Reserve		45,000.00	(45,000.00)		-
<b>Balance at 31-03-2022</b>	<b>1,811.59</b>	<b>119,852.92</b>	<b>26,502.43</b>	<b>(364.45)</b>	<b>147,802.49</b>
Particulars	Reserves and Surplus			Other Comprehensive Income	TOTAL
	Capital Redemption Reserve	General Reserve	Retained Earnings	Remeasurement of defined benefit plans	
Opening balance as on 01-04-2020	1,570.05	49,614.67	6,701.00	(201.62)	57,684.10
Change in Accounting policy / Prior period error	-	-	-	-	-
Restated Opening balance as on 01-04-2020	1,570.05	49,614.67	6,701.00	(201.62)	57,684.10
Transfer from General Reserve	241.54	(241.54)			-
Utilised for Equity Shares brought back		(3,657.83)			(3,657.83)
Tax on Equity Shares brought back		(841.98)			(841.98)
Capital Redemption Expenses		(10.17)			(10.17)
Total Comprehensive Income for the year			47,749.17	(80.06)	47,669.11
Dividends paid to Share holder			(3,760.82)		(3,760.82)
Transfer to General Reserve		30,000.00	(30,000.00)		-
<b>Balance at 31-03-2021</b>	<b>1,811.59</b>	<b>74,863.15</b>	<b>20,689.35</b>	<b>(281.68)</b>	<b>97,082.41</b>

**Capital Redemption Reserve:** Capital Redemption Reserve was created for redemption of preference shares issued by the Company and for buy back of shares. The Reserves were created by transfer from general reserves and share premium account.

**General Reserves:** General Reserve has been created by transfer out of profit generated by the Company and is available for distribution to shareholders.

As per our report of even date.

For **G. M. Kapadia & Co**  
Chartered Accountants  
Firm's Reg. No.104767W

**Rajen Ashar**  
Partner  
Membership No. 048243

Place : Mumbai  
Date : April 27, 2022

**N. Gopal**  
Executive Director (Styrenics) & Manager

**Rakesh Nayyar**  
Executive Director  
(Finance & Corporate Affairs) &  
Chief Financial Officer

**D. N. Mishra**  
Company Secretary

**For and on behalf of the Board**

**Rajan B. Raheja**  
**S. J. Taparia**  
**R. Kannan**  
Directors

Place : Mumbai  
Date : April 27, 2022



## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Lakhs)

	Year ended March 31, 2022	Year ended March 31, 2021
<b>Cash flow from operating activities</b>		
<b>Profit before income tax</b>	<b>88,781.81</b>	64,378.36
<b>Non-cash adjustment to profit before tax:</b>		
Depreciation and amortisation expense	4,185.11	3,914.33
Loss/(Gain) on disposal of property, plant and equipment	(0.66)	538.50
Adjustment towards IND AS impact	(26.92)	(19.01)
Impairment of other non current assets	-	179.66
Income classified under investment activity	(2,324.73)	(1,316.36)
Finance costs	624.00	727.03
Unrealised loss/(gain) foreign currency transaction exchange differences (Net)	(280.35)	(663.56)
<b>Operating profit before change in operating assets and liabilities</b>	<b>90,958.26</b>	67,738.95
<b>Change in operating assets and liabilities :</b>		
Decrease/(increase) in trade receivables	(2,693.43)	(13,943.26)
Decrease/(increase) in inventories	1,705.23	(5,937.81)
Increase/(decrease) in trade payables	(3,968.57)	10,687.35
Decrease/(Increase) in other financial assets	(270.60)	(5.16)
Decrease/(increase) in other non-current assets	2.22	21.82
Decrease/(increase) in other current assets	(1,225.41)	940.18
Increase/(decrease) in provisions	(146.73)	105.98
Increase/(decrease) in other non-current financial liability	(2.91)	(11.15)
Increase/(decrease) in other financial liabilities	1,196.88	(113.00)
Increase/(decrease) in other current liabilities	4,374.52	479.51
	(1,028.80)	(7,775.54)
<b>Cash generated from operations</b>	<b>89,929.46</b>	59,963.41
Direct taxes paid (net of refunds)	(22,708.01)	(16,492.07)
<b>Net cash flow from/(used in) operating activities (A)</b>	<b>67,221.45</b>	43,471.34
<b>Cash flow from investing activities</b>		
Payments for acquisition of property, plant and equipment	(16,306.00)	(2,608.06)
Payments for software development costs	(25.55)	(15.53)
Proceeds from sale of property, plant and equipment	5.20	441.09
Sale of liquid investment	411,784.95	223,428.19
Purchase of liquid investment	(410,245.31)	(222,372.47)
Investment in corporate fixed deposit (net)	-	(5,500.00)
Interest received	785.09	234.65
<b>Net cash flow from/(used in) investing activities (B)</b>	<b>(14,001.62)</b>	(6,392.13)

## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2022 (Contd...)

(₹ in Lakhs)

	Year ended March 31, 2022	Year ended March 31, 2021
<b>Cash flows from financing activities</b>		
Interest paid	(216.82)	(344.64)
Expenses related to capital reduction	(10.23)	(10.17)
Dividends paid to equity shareholders	(15,513.41)	(3,760.83)
Proceed for buy back of share (Including buy back expenses)	-	(4,590.72)
Repayment of lease liability	(2,058.87)	(1,736.10)
<b>Net cash flow from/(used in) in financing activities (C)</b>	<b>(17,799.33)</b>	<b>(10,442.46)</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>35,420.50</b>	<b>26,636.75</b>
Effect of exchange differences on cash & cash equivalent held in foreign currency	-	-
Cash and cash equivalents at the beginning of the year	57,703.26	31,066.51
<b>Cash and cash equivalents at the end of the year</b>	<b>93,123.76</b>	<b>57,703.26</b>
<b>Cash and cash equivalents comprises of :</b>		
(i) Cash and cash equivalents	21,753.81	6,607.71
(ii) Bank balance other than (i) above*	22,991.07	4,067.24
(iii) Investment in mutual fund and bonds	48,378.88	47,028.31
<b>Balance as per the cash flow statement :</b>	<b>93,123.76</b>	<b>57,703.26</b>
<b>* Restricted bank balance</b>		
<b>Bank balance in Escrow account for unpaid dividend &amp; reduction of Share Capital</b>	<b>6,263.63</b>	<b>493.82</b>

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

As per our report of even date.

For **G. M. Kapadia & Co**  
Chartered Accountants  
Firm's Reg. No.104767W

**Rajen Ashar**  
Partner  
Membership No. 048243

Place : Mumbai  
Date : April 27, 2022

**N. Gopal**  
Executive Director (Styrenics ) & Manager

**Rakesh Nayyar**  
Executive Director  
(Finance & Corporate Affairs) &  
Chief Financial Officer

**D. N. Mishra**  
Company Secretary

**For and on behalf of the Board**

**Rajan B. Raheja**  
**S. J. Taparia**  
**R. Kannan**  
Directors

Place : Mumbai  
Date : April 27, 2022

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022****NOTE : 1****Corporate Information**

Supreme Petrochem Ltd (“the Company”) a Public Limited Company incorporated under the Companies Act, 1956, is listed on the Bombay Stock Exchange and National Stock Exchange. The Company is mainly engaged in the business of Styrenics and manufactures Polystyrene (PS), Expandable Polystyrene (EPS), Masterbatches and Compounds of Styrenics and other Polymers, Extruded Polystyrene Insulation Board (XPS) Styrene Methyl Methacrylate (SMMA) with manufacturing facilities at Amdoshi Dist Raigad, Maharashtra and Manali New Town, Chennai, Tamil Nadu.

**Authorisation of financial statements**

The standalone financial statements were authorized for issue in accordance with a resolution of the Board of Directors passed on **April 27, 2022**.

**1. SIGNIFICANT ACCOUNTING POLICIES****1.1. Statement of Compliance**

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as “Ind AS”) notified under the Companies (Indian Accounting Standards ) Rules 2015 with effect from April 01, 2016.

Further, in accordance with the notification issued by the Ministry of Corporate Affairs under the Companies Act, 2013 (18 of 2013), dated 24th, March 2021, the Company has adopted the amendments in Schedule III to the said Act, while preparing financial statements namely Balance Sheet, Statement of Profit and Loss, Statement of Change in Equity, Cash flow statement and Notes to the Standalone financial statements with effect from April 01, 2021.

**1.2. Basis of Preparation**

The financial statements of the Company are consistently prepared and presented under historical cost convention on an accrual basis in accordance with Ind AS except for certain financial assets and liabilities that are measured at fair values. Refer accounting policy No.1.10 on Financial Instruments.

The Company’s functional currency and presentation currency is Indian Rupees (INR). All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs (₹ Lakhs), except otherwise indicated.

**Classification of Assets and Liabilities into current and Non-Current**

The Company presents its assets and liabilities in the Balance Sheet based on current / non-current classification.

An asset is treated as current when it is:

- a) expected to be realised or intended to be sold or consumed in normal operating cycle;
- b) held primarily for the purpose of trading;
- c) expected to be realised within twelve months after the reporting period; or
- d) cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when :

- a) it is expected to be settled in normal operating cycle;
- b) it is held primarily for the purpose of trading;
- c) it is due to be settled within twelve months after the reporting period; or
- d) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle being a period within twelve months for the purpose of current and non-current classification of assets and liabilities.



### 1.3. Use of judgements, estimates and assumptions

The preparation of the Company's financial statements required management to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosures of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment in the future periods in the carrying amount of assets or liabilities affected.

The Company's accounting policies, management has made judgements in respect of evaluation of recoverability of deferred tax assets, which has the most significant effect on the amounts recognized in the financial statements:

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within;

- a) Useful life of property, plant and equipment and intangible assets: The Company has estimated useful life of the Property Plant and Equipment as specified in Schedule II to the Companies Act, 2013. However the actual useful life for individual equipments could turn out to be different, there could be technology changes, breakdown, unexpected failure leading to impairment or complete discard. Alternately the equipment may continue to provide useful service well beyond the useful life assumed.
- b) Fair value measurement of financial instruments: When the fair values of financial assets and financial liabilities cannot be measured based on quoted process in active market, the fair value is measured using valuation techniques including the discounted cash flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not possible, a degree of judgement is required in establishing fair values.
- c) Impairment of financial and non-financial assets: The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the input for the impairment calculations, based on Company's past history, existing market conditions, technology, economic developments as well as forward looking estimates at the end of each reporting period.
- d) Taxes: Taxes have been paid / provided, exemptions availed, allowances considered etc. are based on the extant laws and the Company's interpretation of the same based on the legal advice received wherever required. These could differ in the view taken by the authorities, clarifications issued subsequently by the government and courts, amendments to statutes by the government etc.
- e) Defined benefit plans: The cost of defined benefit plans and other post –employment benefits plans and the present value of such obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future.
- f) Provisions: A provision is recognised when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligations at the end of the reporting period. However the actual liability could be considerably different.

Provisions for leave encashment and gratuity, are made based on report received from the independent actuary. These valuation reports use complex valuation models using not only the inputs provided by the Company but also various other economic variables. Considerable judgement is involved in the process.

- g) Contingencies: 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. Potential liabilities that are possible but not probable of crystallizing or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognized.

### 1.4. Property, Plant and Equipment

Freehold land is carried at historical cost. All other Property, Plant and Equipment are stated at cost, net of recoverable taxes, trade discounts and rebates less accumulated depreciation and impairment loss, if any. The cost of tangible assets comprises its purchase price, borrowing cost, any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, initial estimation of any decommissioning obligations and finance cost.



When significant parts of the Property, Plant and Equipment are required to be replaced at intervals, the Company derecognizes the replaced part, and recognizes the new part with its own associated useful life and depreciated accordingly. Likewise when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the Statement of Profit and Loss as incurred.

Cost of Software directly identified with hardware is recognized along with the cost of hardware.

Stores and spares which meet the definition of Property, Plant and Equipment and satisfy recognition criteria of Ind AS 16 are capitalized as Property, Plant and Equipment.

An item of Property, Plant and Equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset is included in the Statement of Profit and Loss when the asset is derecognized.

Capital work-in-progress includes cost of Property, Plant and Equipment which are not ready for their intended use.

The residual values and useful lives of Property, Plant and Equipment are reviewed at each financial year end, and changes, if any, are accounted prospectively.

Depreciation on the Property, Plant and Equipment is provided over the useful life of assets as specified in Schedule II to the Companies Act, 2013 using straight line method. Property, Plant and Equipment which are added / disposed off during the year, depreciation is provided on pro rata basis with reference to the month of addition / deletion.

In line with the provisions of Schedule II of the Companies Act 2013, the Company depreciates significant components of the main asset (which have different useful lives as compared to the main asset) based on the individual useful life of those components. Useful life for such components has been assessed based on the historical experience and internal technical inputs.

## 1.5. Intangible Assets

Intangible Assets are recognized only if they are separately identifiable and the Company expects to receive future economic benefits arising out of them. Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortization/ depletion and impairment loss, if any. The cost comprises purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use.

Computer Software is amortised over a period of six years or right to use of period.

Intangible assets with finite lives are amortised on straight line basis over their useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at each year end. The amortised expense on intangible assets with finite lives and impairment loss is recognized in the Statement of Profit and Loss.

The useful lives of intangible assets are assessed as either finite or indefinite.

Gains or losses arising from derecognition of an intangible asset are recognized in the Statement of Profit and Loss when the asset is derecognized.

Intangible assets with indefinite useful lives, are not amortised, but are tested for impairment annually. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis. The impairment loss on intangible assets with indefinite life is recognised in the Statement of Profit and Loss.

## 1.6. Impairment of non – financial assets

At each Balance Sheet date, the Company assesses whether there is an indication that an asset may be impaired and also whether there is an indication of reversal of impairment loss recognized in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, the Company determines the recoverable amount and impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) 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 or groups of assets.

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for the Company's CGUs in the state of Tamilnadu and Maharashtra to which the individual assets are allocated.

### 1.7. Inventories

Inventories are valued as under

Raw materials, packing material, stores and spares are valued at lower of cost (on a weighted average basis) and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above manufacturing cost.

Stock in process is valued at lower of cost (on a weighted average basis) and net realizable value.

Finished goods (including in transit) are valued at cost (on a weighted average basis) or net realizable value whichever is lower. Cost for this purpose includes direct materials, direct labour utilities, other variable direct costs and manufacturing overheads, based on the normal operating capacity and depreciation.

### 1.8. Cash and cash equivalents

Cash and cash equivalent in the Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to insignificant risk of change in value.

For the purpose of statement of cashflows, cash and cash equivalents consist of cash, short-term deposits as defined above, net of outstanding bank overdrafts (if any) and short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value as they are considered as an integral part of the Company's cash management.

#### Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows . The cash flows from operating, investing and financing activities of the Company are segregated.

#### Bank Balances other than above

Dividend escrow account balances, deposits with banks as margin money for guarantees issued by the banks, deposits kept as security deposits for statutory authorities are accounted as bank balances other than Cash and Cash equivalents.

### 1.9. Non-current assets Held for Sale

Non-current assets classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.

Non-current assets are classified as held for sale if their carrying amounts will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such assets.

Property, Plant and Equipment and Intangible Assets are not depreciated or amortized once classified as held for sale.

### 1.10. 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.

#### A. Financial Assets:

##### (i) Classification:

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income, or fair value through profit and loss on the basis of its business model for managing the financial asset and the contractual cash flow characteristics of the financial asset.



(ii) Initial recognition and measurement.

All financial assets are recognized initially at fair value plus, in the case of financial assets not recognized at fair value through profit and loss, transaction costs that are attributable to the acquisition of the financial asset.

(iii) Financial assets measured at amortised cost:

Financial assets are subsequently measured at amortised cost using effective interest rate method (EIR), if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding. The losses arising from the impairment are recognized in the Statement of Profit and Loss.

(iv) Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms give rise to cash flows that are solely payments of principal and interest on the principal outstanding.

(v) Financial Assets measured at fair value through profit and loss

Financial assets under this category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in profit and loss.

(vi) Derecognition of financial assets

A financial asset is primarily derecognized when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

#### **AA. Impairment of Financial Assets**

In accordance with Ind-AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

#### **AB. Financial Liabilities**

(i) Classification

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit and loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

(ii) Initial recognition and measurement.

All financial liabilities are recognized initially at fair value, in the case of loans, borrowings and payables, net of directly attributable transaction costs. Financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

(iii) Subsequent measurement:

All financial liabilities are re-measured at fair value through statement of profit and loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through statement of profit and loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

(iv) Loans and borrowings

Interest bearing loans and borrowings are subsequently measured at amortised cost using effective interest rate (EIR) method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through EIR amortization process. The EIR amortization is included as finance cost in the Statement of Profit and Loss.

(v) Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or canceled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

(vi) Derivative Financial Instruments

The Company uses derivative financial instruments such as forward currency contracts and options to hedge its foreign currency risks. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. The gain or loss in the fair values is taken to Statement of Profit and Loss at the end of every period. Profit or loss on cancellations / renewals of forward contracts and options are recognized as income or expense during the period.

**AC. Offsetting of financial instruments**

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

**1.11. Fair value measurement**

The Company measures certain financial assets and financial liabilities including derivatives and defined benefit plans at fair value.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

**1.12. Borrowing cost**

Borrowing costs directly attributable to the acquisition, construction or production of an asset are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

**1.13. Provisions, Contingent liabilities, Contingent Assets**

A provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligations at the end of the reporting period. If the effect of the time value of money is material, provisions are discounted using a current



pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the changes in the provision due to the passage of time are recognized as a finance cost.

Contingent liabilities are disclosed in the case of:

- a present obligation arising from the past events, when it is not probable that an outflow of resources will be required to settle the obligation.
- a present obligation arising from the past events, when no reliable estimate is possible.
- a possible obligation arising from past events, unless the probability of outflow of resources is remote.

Contingent assets are not recognized but disclosed in the financial statements when an inflow of economic benefit is probable.

## 1.14. Employee Benefits

### A. Short Term Benefits

Short Term Benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss of the period in which the related service is rendered.

Payment to defined contribution retirement benefit plans are recognized as an expense when employees have rendered the services entitling them to the contribution.

### B. Post-Employment benefits - Defined Benefit Plans: Provident fund and Gratuity

The eligible employees of the Company are entitled to receive post-employment benefits in respect of provident fund in which both the employees and the Company make monthly contributions at a specified percentage of the employees' eligible salary. The contributions are made to the provident fund managed by the trust set up by the Company which is charged to the Statement of Profit and Loss as incurred. Since the Company is obligated to meet interest shortfall, if any, with respect to covered employees, such employee benefit plan is classified as defined benefit plan.

The Company has an obligation towards gratuity - a defined benefit retirement plan covering eligible employees. The plan provides a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service and is payable thereafter on occurrence of any of above events. The Company has obtained an insurance policy with the Life Insurance Corporation of India (LIC) and makes an annual contribution to LIC for amounts notified by LIC.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method with actuarial valuations being carried out at each Balance Sheet date, which is recognized in each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in the net interest on the net defined liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income in the period in which they occur. Re-measurements are not reclassified to the Statement of Profit and Loss in subsequent periods. Past service cost is recognized in the Statement of Profit and Loss in the period of plan amendment.

Net interest is calculated by applying the discount rate to the net defined benefit plan liability or asset.

The Company recognizes the following changes in the net defined benefit obligations under employee benefit expenses in the Statement of Profit and Loss:

- Service costs comprising of current service costs, past-service costs, gains and losses on curtailments and non-routine settlements.
- Net current expenses or income.

### C. Defined Contribution Plans - Superannuation

The eligible employees of the Company are entitled to receive post employment benefits of superannuation under Company's Senior Officers Superannuation Scheme to which the Company makes annual contribution at a specified percentage of the employees' salary subject to the contribution not exceeding ₹ 1,00,000/- p.a. The contribution is made to the LIC. Superannuation is classified as defined contribution plan as the Company has no further obligations beyond making the contribution. The Company's contribution is charged to the Statement of Profit and Loss as incurred.

#### **D. Other Long-Term Employee Benefits – Compensated Absences**

The Company provided for encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits for future encashment / availment. The Company makes provisions for compensated absences based on an independent actuarial valuation carried out at each reporting date, using Projected Unit Cost Method. Actuarial gains and losses are recognized in the Statement of Profit and Loss.

#### **1.15. Revenue Recognition**

Revenue is recognized upon transfer of control of promised goods to Customers (i.e. when performance obligation is satisfied) for an amount that reflects the consideration which the Company expects to receive in exchange for those products.

Revenue is measured based on the transaction price, which is the consideration, adjusted for trade discounts such as price concessions, volume discounts, or any other price concessions as may be agreed with the customers at the time of sale. Revenues also excludes Goods and Services Tax (GST) or any other taxes collected from the Customers and net of returns and discounts.

##### **Other Income**

Other income is comprised primarily of interest income, dividend income, Lease rent income, gain/loss on investment and exchange gain/loss on forward and option contracts. Interest income is recognized using the effective interest method. Dividend income is recognized when the right to receive payment is established. Lease rental income is recognized on accrual basis, Gain/loss in investment recognized either of sale of investment or on fair value at the end of reporting period.

##### **Export benefit**

Benefits on account of entitlement to import duty-free raw materials under the Advance Authorization Scheme is measured at fair value and accounted for in the year of export and included under the head “Other Operating Income.”

##### **Insurance Income**

Income in respect of insurance claims recognized on acceptance basis.

#### **1.16. Taxes on income**

Income Tax expenses comprise current tax expenses and the net change in the deferred tax asset or liabilities during the year. Current and Deferred tax are recognized in Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income or directly in equity, in which case, the current and deferred tax are also recognized in Other Comprehensive Income or directly in equity respectively.

##### **Current Tax**

The Company provides current tax based on the provisions of the Income Tax Act, 1961 applicable to the Company.

##### **Deferred Tax**

Deferred tax is recognised using the Balance Sheet approach. Deferred tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount.

Deferred tax liabilities are recognized for all taxable temporary differences.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

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 utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or liability is settled, based on tax rates (and tax laws) that have been enacted or substantially enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.



### 1.17. Earnings per share

Basic earnings per share are calculated by dividing the profit after tax or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. In case there are any dilutive securities during the period presented, the impact of the same is given to arrive at diluted earnings per share.

### 1.18. Segment Reporting

The operating segments have been identified on the basis of nature of products and same are accordingly evaluated by the Manager and Board of Directors. Company's primary operating segment is Styrenics business which accounts for over 96% of total business. Company also operates in masterbatches and compounds of other Polymers, and miscellaneous others. This activity shares manufacturing assets and facilities with compounds/ masterbatches/ coloured products of Styrenics, have similar pattern, customer profile and distribution channels as of compounds/ masterbatches/ coloured products of Styrenics and does not have separately identifiable discrete financial information. Masterbatches and Compounds of other Polymers have therefore been aggregated with Styrenics business. Masterbatches and Compounds of other Polymers and miscellaneous others account for less than 4% of total business and are individually below threshold of total sale revenue specified in Ind AS 108, Para 13. Company accordingly reports its financials under one segment 'Styrenics and allied products'.

### 1.19. Leases :

Determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date, whether fulfillment of the arrangement is dependent on the use of a specific asset(s) or the arrangement conveys right to use the asset, even if that right is not explicitly specified in an arrangement.

Leases where the lessor effectively retains substantially all the rights and benefits of ownership of the leased assets are classified as operating leases. At the date of commencement of lease the Company recognizes a right-of-use asset (ROU) and a corresponding lease liability for all lease arrangements in which it is a lease except for leases with a term of twelve months or less and low value leases. For these short term and low value leases the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right to use assets are initially recognized at cost which comprises initial amount of the lease liability adjusted for any lease payment made at or prior to the date of 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.

Right-to-use assets are depreciated from the commencement date on straight line basis over lesser of the lease period or the useful life of the asset.

Lease liability is initially measured at amortized cost 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 rate for the Company.

The right-to-use assets and the lease liabilities are tested for impairment and re-measured annually to arrive at the current carrying value and if found required, adjustments are made to the right-to-use assets and/or lease liability.

### 1.20. Foreign exchange transactions

Foreign currency transactions are accounted for at the exchange rate prevailing on the date of the transaction. All monetary foreign currency assets and liabilities are converted at the exchange rates prevailing at the reporting date. All exchange differences arising on translation of monetary items are dealt with in the Statement of Profit and Loss.

Non-monetary items are measured in terms of historical cost in foreign currency and translated using the exchange rate at the end of the dates of initial transaction.

### 1.21. Deemed cost for Property, Plant and Equipment, Investment Property and Intangible Assets

The Company has elected to continue with the carrying value of all of its plant and equipment, investment property, and intangible assets recognised as of 1st July, 2015 measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

### NOTE : 2

#### Property, Plant and Equipment

March 31, 2022

(₹ in Lakhs)

Particulars	GROSS BLOCK *				DEPRECIATION				NET BLOCK	
	As at April 01, 2021	Additions	Disposal	As at March 31, 2022	Upto April 01, 2021	Provided / Adjustments	Disposal	Upto March 31, 2022	As at March 31, 2022	As at March 31, 2021
<b>Own Assets</b>										
Land (Freehold)	3,939.70	-	-	<b>3,939.70</b>	-	-	-	-	<b>3,939.70</b>	3,939.70
Buildings	11,138.98	29.51	-	<b>11,168.49</b>	2,660.56	428.76	-	<b>3,089.32</b>	<b>8,079.17</b>	8,478.42
Plant and Machinery	28,519.61	589.55	-	<b>29,109.16</b>	9,339.56	1,858.63	-	<b>11,198.19</b>	<b>17,910.97</b>	19,180.05
Office equipments	58.25	22.50	-	<b>80.75</b>	35.52	8.19	-	<b>43.71</b>	<b>37.04</b>	22.73
Computers	324.92	37.15	9.83	<b>352.24</b>	238.22	46.57	9.43	<b>275.36</b>	<b>76.88</b>	86.70
Air-conditioners	32.49	13.09	0.02	<b>45.56</b>	24.81	3.44	-	<b>28.25</b>	<b>17.31</b>	7.68
Vehicles	232.19	-	15.64	<b>216.55</b>	114.45	24.34	11.52	<b>127.27</b>	<b>89.28</b>	117.74
Furniture and Fixtures	137.56	1.06	-	<b>138.62</b>	75.78	12.68	-	<b>88.46</b>	<b>50.16</b>	61.78
<b>TOTAL</b>	<b>44,383.70</b>	<b>692.86</b>	<b>25.49</b>	<b>45,051.07</b>	<b>12,488.90</b>	<b>2,382.61</b>	<b>20.95</b>	<b>14,850.56</b>	<b>30,200.51</b>	<b>31,894.80</b>

Note :

2.1. Buildings include ₹ 252.49 lakhs (previous year ₹ 252.49 lakhs) being cost of premises in Co-operative Societies including cost of Shares of the face value of ₹ 4,250 (Previous year ₹ 4,250).

2.2. On July 1, 2015 The Company has elected to value its Property, Plant and Equipment at historical cost as per IGAAP.

\* On original historical cost basis the gross block as on March 31, 2022 is ₹ 76,481.77 lakhs

#### Property, Plant and Equipment

March 31, 2021

(₹ in Lakhs)

Particulars	GROSS BLOCK*				DEPRECIATION				NET BLOCK	
	As at April 01, 2020	Additions	Disposal	As at March 31, 2021	Upto April 01, 2020	Provided / Adjustments	Disposal	Upto March 31, 2021	As at March 31, 2021	As at March 31, 2020
<b>Own Assets</b>										
Land (Freehold)	3,835.51	104.19	-	3,939.70	-	-	-	-	3,939.70	3,835.51
Buildings	11,722.04	2.29	585.35	11,138.98	2,251.58	453.78	44.80	2,660.56	8,478.42	9,470.46
Plant and Machinery	28,260.09	930.24	670.72	28,519.61	7,733.94	1,838.31	232.69	9,339.56	19,180.05	20,526.15
Office equipments	49.53	10.52	1.80	58.25	31.46	5.76	1.70	35.52	22.73	18.07
Computers	310.48	18.65	4.21	324.92	195.54	46.35	3.67	238.22	86.70	114.94
Air-conditioners	31.55	3.97	3.03	32.49	25.45	2.16	2.80	24.81	7.68	6.10
Vehicles	210.44	21.75	-	232.19	89.49	24.96	-	114.45	117.74	120.95
Furniture and Fixtures	133.85	5.09	1.38	137.56	63.46	13.55	1.23	75.78	61.78	70.39
<b>TOTAL</b>	<b>44,553.49</b>	<b>1,096.70</b>	<b>1,266.49</b>	<b>44,383.70</b>	<b>10,390.92</b>	<b>2,384.87</b>	<b>286.89</b>	<b>12,488.90</b>	<b>31,894.80</b>	<b>34,162.57</b>

Note :

2.1. Buildings include ₹ 252.49 lakhs (previous year ₹ 252.49 lakhs) being cost of premises in Co-operative Societies including cost of Shares of the face value of ₹ 4,250 (Previous year ₹ 4,250).

2.2. On July 1, 2015 The Company has elected to value its Property, Plant and Equipment at historical cost as per IGAAP.

\* On original historical cost basis the gross block as on March 31, 2021 is ₹ 75,827.57 lakhs



**NOTE : 3**

**Capital-Work-in Progress (CWIP)**

**With aging schedule as at 31st March, 2022**

(₹ in Lakhs)

<b>CWIP</b>	<b>Less than 1 year</b>	<b>1-2 Years</b>	<b>2-3 Years</b>	<b>More than 3 years</b>	<b>Grand Total</b>
PS, EPS Expansion at Nagothane	6,057.84	314.74	-	-	6,372.58
EPS Expansion at Chennai	903.38	18.08	12.47	34.63	968.56
ABS Project	2,028.89	-	-	-	2,028.89
Other Regular Capitalisation	79.09	66.83	-	-	145.92
<b>Total</b>	<b>9,069.20</b>	<b>399.65</b>	<b>12.47</b>	<b>34.63</b>	<b>9,515.95</b>
Project stores*	8,241.62	44.48	16.66	75.72	8,378.48
<b>Total</b>	<b>17,310.82</b>	<b>444.13</b>	<b>29.13</b>	<b>110.35</b>	<b>17,894.43</b>
<b>Projects delayed #</b>	<b>Less than 1 year</b>	<b>1-2 Years</b>	<b>2-3 Years</b>	<b>More than 3 years</b>	<b>Grand Total</b>
PS, EPS, Expansion at Nagothane	6,372.58	-	-	-	6,372.58
EPS Expansion at Chennai	968.56	-	-	-	968.56

# Projects for setting up of PS and EPS expansion at Nagothane and Chennai plant are marginally delayed due to late arrival of some imported equipments. Barring unforeseen circumstances are now scheduled to be mechanically completed by August 2022. There is no cost over run.

\* Project stores include regular capitalisation and on going expansion

As at 31st March, 2021

(₹ in Lakhs)

<b>CWIP</b>	<b>Less than 1 year</b>	<b>1-2 Years</b>	<b>2-3 Years</b>	<b>More than 3 years</b>	<b>Grand Total</b>
PS, EPS Expansion at Nagothane	314.74	-	-	-	314.74
EPS Expansion at Chennai	18.08	12.47	34.63	-	65.18
Other Regular Capitalisation	177.97	113.77	-	29.91	321.65
Project Temporarily suspended	-	-	-	1.25	1.25
<b>Total</b>	<b>510.79</b>	<b>126.24</b>	<b>34.63</b>	<b>31.16</b>	<b>702.82</b>
Project stores *	-	86.05	60.61	57.15	203.81
<b>Total</b>	<b>510.79</b>	<b>212.29</b>	<b>95.24</b>	<b>88.31</b>	<b>906.63</b>

\*Project stores includes regular capitalisation and on going expansion

**NOTE 4 :**

**Right to Use Assets**

**Lease Assets**

**As at 31st March, 2022**

(₹ in Lakhs)

Particulars	GROSS BLOCK				AMORTISATION				NET BLOCK	
	As at April 01, 2021	Additions	Disposal	As at March 31, 2022	Upto April 01, 2021	Provided / Adjustments	Disposal	Upto March 31, 2022	As at March 31, 2022	As at March 31, 2021
Building	1,114.73	-	-	1,114.73	396.29	213.78	-	610.07	504.66	718.44
Machinery	4,683.97	1,332.47	358.36	5,658.08	1,476.80	1,548.18	303.27	2,721.71	2,936.37	3,207.17
<b>TOTAL</b>	<b>5,798.70</b>	<b>1,332.47</b>	<b>358.36</b>	<b>6,772.81</b>	<b>1,873.09</b>	<b>1,761.96</b>	<b>303.27</b>	<b>3,331.78</b>	<b>3,441.03</b>	<b>3,925.61</b>

Range of remaining period of amortisation as on March 31, 2022 is as below :

	0 to 1 Years	2 to 5 Years	Total
Building	212.16	292.50	<b>504.66</b>
Machinery	1,756.48	1,179.89	<b>2,936.37</b>

Lease Assets

As at 31st March, 2021

(₹ in Lakhs)

Particulars	GROSS BLOCK				AMORTISATION				NET BLOCK	
	As at April 01, 2020	Additions	Disposal	As at March 31, 2021	Upto April 01, 2020	Provided / Adjustments	Disposal	Upto March 31, 2021	As at March 31, 2021	As at March 31, 2020
Building	1,114.73	-	-	1,114.73	182.51	213.78	-	396.29	718.44	932.22
Machinery	2,939.12	2,990.94	1,246.09	4,683.97	1,023.96	1,283.56	830.72	1,476.80	3,207.17	1,915.16
<b>TOTAL</b>	<b>4,053.85</b>	<b>2,990.94</b>	<b>1,246.09</b>	<b>5,798.70</b>	<b>1,206.47</b>	<b>1,497.34</b>	<b>830.72</b>	<b>1,873.09</b>	<b>3,925.61</b>	<b>2,847.38</b>

Range of remaining period of amortisation as on March 31, 2021 is as below :

	0 to 1 Year	2 to 5 Years	Total
Building	213.78	504.66	718.44
Machinery	1,332.35	1,874.82	3,207.17

## NOTE 5 :

### Other Intangible Assets

As at 31st March, 2022

(₹ in Lakhs)

Particulars	GROSS BLOCK*				AMORTISATION				NET BLOCK	
	As at April 01, 2021	Additions	Disposal	As at March 31, 2022	Upto April 01, 2021	Provided / Adjustments	Disposal	Upto March 31, 2022	As at March 31, 2022	As at March 31, 2021
Computer software	295.33	25.55	-	<b>320.88</b>	231.69	40.54	-	<b>272.23</b>	<b>48.65</b>	63.64
<b>TOTAL</b>	<b>295.33</b>	<b>25.55</b>	<b>-</b>	<b>320.88</b>	<b>231.69</b>	<b>40.54</b>	<b>-</b>	<b>272.23</b>	<b>48.65</b>	<b>63.64</b>

\* On original historical cost basis the gross block as on March 31, 2022 is ₹ 629.62 Lakh

Range of remaining period of amortisation as on March 31, 2022 is as below :

	0 to 2 Years	3 to 5 Years	Above 5 Years	Total
Computer Software	<b>36.66</b>	<b>2.85</b>	<b>9.14</b>	<b>48.65</b>

As at 31st March, 2021

(₹ in Lakhs)

Particulars	GROSS BLOCK*				AMORTISATION				NET BLOCK	
	As at April 01, 2020	Additions	Disposal	As at March 31, 2021	Upto April 01, 2020	Provided / Adjustments	Disposal	Upto March 31, 2021	As at March 31, 2021	As at March 31, 2020
Computer software	279.80	15.53	-	295.33	199.57	32.12	-	231.69	63.64	80.23
<b>TOTAL</b>	<b>279.80</b>	<b>15.53</b>	<b>-</b>	<b>295.33</b>	<b>199.57</b>	<b>32.12</b>	<b>-</b>	<b>231.69</b>	<b>63.64</b>	<b>80.23</b>

\* On original historical cost basis the gross block as on March 31, 2020 is ₹ 604.07 Lakhs

Range of remaining period of amortisation as on March 31, 2021 is as below :

	0 to 2 Years	3 to 5 Years	Total
Computer Software	33.11	30.53	63.64

**NOTE : 6****Loans - Non current**

	(₹ in Lakhs)	
	As at 31-03-2022	As at 31-03-2021
<b>Loans considered good - Unsecured</b>		
Others Loans		
Loans to Employees	124.07	85.17
	<u>124.07</u>	<u>85.17</u>
The above includes		
Loans to Directors and other officers of the Company	33.75	-
	<u>33.75</u>	<u>-</u>

**NOTE : 7****Other Non-Current Financial Assets**

	(₹ in Lakhs)	
	As at 31-03-2022	As at 31-03-2021
Security deposit other than utility services	445.94	504.61
Bank fixed deposits with original maturity more than one year	32.34	31.80
	<u>478.28</u>	<u>536.41</u>

**NOTE : 8****Other Non Current Assets**

	(₹ in Lakhs)	
	As at 31-03-2022	As at 31-03-2021
<b>Capital advance</b>		
Capital advance	1,097.15	1,567.84
<b>Other than capital advance</b>		
Deposits with statutory authorities	7.14	11.64
Security deposits - utility services	42.27	39.99
	<u>1,146.56</u>	<u>1,619.47</u>

**NOTE : 9****Inventories**

	(₹ in Lakhs)	
	As at 31-03-2022	As at 31-03-2021
Refer Note No 1.7 for Accounting Policy on Inventories		
Raw materials and packing materials	20,807.49	21,874.62
Work-in-progress	201.38	189.50
Finished goods	5,157.22	6,549.04
Finished goods in transit	2,492.33	1,926.21
Stores and spares	1,366.58	1,203.83
Fuel	50.57	37.60
	<u>30,075.57</u>	<u>31,780.80</u>

9.1 The cost of inventories is after recognising write down of inventory to net realisable value in respect of finished goods ₹ 151.18 lakhs (Previous Year ₹ 23.84 lakhs).

9.2. The Company does not have any stock which is expected to be sold in more than twelve months.

**NOTE : 10**

**Investment in Mutual Funds and bonds**

	(₹ in Lakhs)			
	No. of units	As at 31-03-2022	No. of units	As at 31-03-2021
<b>Overnight Funds</b>				
LIC MF	227702.11	2,500.00	-	-
Axis MF	-	-	184066.11	2,000.08
<b>Liquid Funds</b>				
Kotak MF	23297.75	1,002.55	83644.90	3,463.57
Axis MF	215628.97	5,097.67	-	-
Nippon MF	62988.30	3,280.46	-	-
DSP MF	-	-	180684.80	5,275.38
Aditya Birla Sunlife MF	-	-	364679.35	1,200.91
HDFC MF	-	-	149100.12	5,990.36
LIC MF	-	-	43367.18	1,605.83
IDFC MF	-	-	175520.49	4,341.46
<b>Ultrashort Funds</b>				
Kotak MF Term	6218646.02	2,240.61	-	-
HDFC MF	53526560.46	6,571.77	23281770.65	2,758.01
Axis MF	4071888.73	507.71	-	-
ICICI Prudential MF	8235375.80	1,846.40	-	-
SBI Magnum MF	-	-	142820.10	6,680.87
LIC MF	-	-	3566907.18	1,118.52
IDFC MF	-	-	864089.31	1,029.89
<b>Low duration Funds</b>				
IDFC MF	-	-	16027654.13	4,847.47
<b>Nippon India Quarterly Interval fund</b>	15829806.08	4,533.47	-	-
<b>A)</b>		<u>27,580.64</u>		<u>40,312.35</u>
<b>Investment in Arbitrage Scheme of Mutual Funds Measured at FVTPL</b>				
<b>Arbitrage Fund</b>				
ICICI MF	17035612.93	4,741.40	3731128.88	999.95
Kotak MF	17164886.40	5,301.44	3454492.09	1,003.64
HDFC MF	12821441.54	3,186.52	-	-
SBI MF	4409939.04	1,202.96	-	-
Nippon MF	2192545.85	500.51	-	-
Tata MF	45884644.29	5,363.68	8901057.41	1,003.57
Axis MF	3099678.25	501.73	-	-
<b>B)</b>		<u>20,798.24</u>		<u>3,007.16</u>



(₹ in Lakhs)

	As at 31-03-2022	As at 31-03-2021
<b>Investment in Bonds</b>		
7.74% Perpetual Bond of SBI Bank Ltd (50 bonds of ₹ 10,00,000 each)	-	529.45
7.73% Perpetual Bond of SBI Bank Ltd (150 bonds of ₹ 10,00,000 each)	-	1,555.22
8.50% Perpetual Bond of SBI Bank Ltd (50 bonds of ₹ 10,00,000 each)	-	533.96
8.75% Perpetual Bond of SBI Bank Ltd (100 bonds of ₹ 10,00,000 each)	-	1,090.17
<b>c)</b>	-	3,708.80
<b>Total</b>	<b>48,378.88</b>	<b>47,028.31</b>
Aggregate book value of Quoted investment	-	3,676.59
Aggregate book value of unquoted investment	<b>47,477.07</b>	42,930.93
Aggregate market value of investment measured at FVTPL	<b>48,378.88</b>	47,028.31

**NOTE : 11**

**Trade Receivables**

(₹ in Lakhs)

	As at 31-03-2022	As at 31-03-2021
Secured - Considered good	-	-
Unsecured - Considered good	<b>41,222.35</b>	38,540.72
Unsecured credit Impaired	-	-
Less : Allowance for expected credit loss	<b>43.89</b>	41.56
	<b>41,178.46</b>	38,499.16

**Trade Receivables Ageing Schedule**

(₹ in Lakhs)

Particulars	Outstanding for followig periods from due date of payment as at 31st March, 2022						
	Not Due	Less than 6 months	6 Months to 1 Year	1-2 years	2-3 years	more than 3 years	TOTAL
(i) Undisputed Trade Receivables - considered good	37,885.53	3,245.98	44.90	-	-	-	41,176.41
(ii) Undisputed Trade Receivables - considered doubt full	-	-	-	2.48	1.40	0.19	4.07
(iii) Disputed Trade Receivables -considered good	-	-	5.31	15.15	0.02	-	20.48
(iv) Disputed Trade Receivables considered doubtfull	-	-	-	-	-	21.39	21.39
<b>Total Amount</b>	<b>37,885.53</b>	<b>3,245.98</b>	<b>50.21</b>	<b>17.63</b>	<b>1.42</b>	<b>21.58</b>	<b>41,222.35</b>

(₹ in Lakhs)

Particulars	Outstanding for followig periods from due date of payment as at 31st March, 2021						TOTAL
	Not Due	Less than 6 months	6 months to 1 Year	1-2 years	2-3 years	more than 3 years	
(i) Undisputed Trade Receivables - considered good	37,892.70	563.82	10.14	45.11	-	-	38,511.77
(ii) Undisputed Trade Receivables - considered doubt full	-	-	-	4.21	0.39	0.82	5.42
(iii) Disputed Trade Receivables -considered good	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtfull	-	-	-	-	2.14	21.39	23.53
<b>Total Amount</b>	<b>37,892.70</b>	<b>563.82</b>	<b>10.14</b>	<b>49.32</b>	<b>2.53</b>	<b>22.21</b>	<b>38,540.72</b>

11.1\*. The entity has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The expected credit loss allowance is based on the ageing of the days the receivables are due and recognises impairment loss allowance based on lifetime ECL's (Expected Credit Loss) at each reporting date, right from it initial recognition.

(₹ in Lakhs)

<b>Movement in the expected credit loss allowance</b>	<b>As at 31-03-2022</b>	As at 31-03-2021
Balance at beginning of the year	<b>41.56</b>	27.74
Add : Provisional during year	<b>2.33</b>	13.82
Balance at end of the year	<b>43.89</b>	41.56

Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses.

The concentration of credit risk is limited due to the fact that the customer base is large and unrelated.

## NOTE : 12

### Cash and Cash Equivalents

(₹ in Lakhs)

	<b>As at 31-03-2022</b>	As at 31-03-2021
<b>Balances with banks</b>		
- In Current accounts	<b>15,945.54</b>	6,354.10
- Deposits with original maturity less than 3 Months	<b>5,700.00</b>	-
Cheques on hand	<b>99.79</b>	245.95
Cash on hand	<b>8.48</b>	7.66
	<b>21,753.81</b>	6,607.71

## NOTE : 13

### Other Balances with Banks

(₹ in Lakhs)

	<b>As at 31-03-2022</b>	As at 31-03-2021
Earmarked balances with banks (unpaid dividend)*	<b>622.39</b>	493.82
Earmarked balances with banks For Reduction of Share Capital (Refer Note No 46)	<b>5,641.24</b>	-
Deposits with original maturity More than 3 Months but less than 12 Months	<b>16,727.44</b>	3,573.42
	<b>22,991.07</b>	4,067.24

\* There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund as on March 31, 2022.



**NOTE : 14**

**Loans Considered Good - Unsecured**

	(₹ in Lakhs)	
	As at 31-03-2022	As at 31-03-2021
Others Loans		
Loans and advances to employees	76.81	64.45
	<u>76.81</u>	<u>64.45</u>
The above includes		
Loans to Directors and other officers of the Company	9.00	1.00
	<u>9.00</u>	<u>1.00</u>

**NOTE : 15**

**Other Current Financial Assets**

	(₹ in Lakhs)	
	As at 31-03-2022	As at 31-03-2021
Derivative Asset	8.20	33.78
Corporate Fixed Deposit*	5,500.00	5,500.00
Interest receivable	495.29	141.49
	<u>6,003.49</u>	<u>5,675.27</u>

\* Corporate Fixed deposit in HDFC Ltd ₹ 5,500 Lakhs (Previous Year HDFC Ltd. ₹ 3,500, LIC Housing Finance Ltd. ₹ 2,000 Lakhs)

**NOTE : 16**

**Other Current Assets**

	(₹ in Lakhs)	
	As at 31-03-2022	As at 31-03-2021
Advance license benefits and others	167.58	5.62
Prepaid expenses	596.13	529.52
Advance recoverable in cash or in kind	1,266.85	373.78
Deposits with statutory authorities	7.24	7.24
Balances with statutory authorities	547.29	458.39
Receivable from statutory authorities	573.37	558.49
	<u>3,158.46</u>	<u>1,933.04</u>



**NOTE : 17**  
**Share Capital**

(₹ in Lakhs)		
	As at 31-03-2022	As at 31-03-2021
<b>Authorised</b>		
312500000 (Previous Year 125000000) Equity Shares of ₹ 4 each	12,500.00	12,500.00
25000000 (Previous Year 25000000) Redeemable Cumulative Preference Shares of ₹ 10 each	2,500.00	2,500.00
	<b>15,000.00</b>	<b>15,000.00</b>
<b>Issued, Subscribed And Paid Up</b>		
Opening 94020671 (Previous Year 96436047) Equity Shares of ₹ 10 each	9,402.07	9,643.61
Less : Share Purchase Under Buyback Scheme (Previous Year 2415376)	-	241.54
Less: Reduction in share capital U/s 66 of Company Act 2013	5,641.24	-
Closing 94020671 Equity Shares of ₹ 4 each (Previous Year ₹ 10 each)	<b>3,760.83</b>	<b>9,402.07</b>

**Note :**

- 17.1.** In the financial year 2008-2009, the Company bought back and extinguished 1537907 equity shares from which has reduced the paid-up share capital of the Company from ₹ 9,837.65 lakhs to ₹ 9,683.86 lakhs.
- 17.2.** In the financial year 2013-2014, the Company bought back and extinguished 336655 equity shares from which has reduced the paid-up share capital of the Company from ₹ 9,683.86 lakhs to ₹ 9,650.20 lakhs.
- 17.3.** In the financial year 2019-2020 the Company bought back and extinguished 65911 equity shares from which has reduced the paid-up share capital of the Company from ₹ 9,650.20 lakhs to ₹ 9,643.61 lakhs.
- 17.4.** In the financial year 2020-2021 the Company bought back and extinguished 2415376 equity shares from which has reduced the paid-up share capital of the Company from ₹ 9,643.61 lakhs to ₹ 9,402.07 lakhs.
- 17.5.** Consequent to the order dated 10/03/2022 of NCLT, Mumbai face value of each equity shares stands reduced to ₹ 4/- per share from ₹ 10/- per share. Accordingly the authorised capital is changed to 312500000 of ₹ 4/- each aggregating to ₹ 12,500.00 lakhs.
- 17.6.** In the financial year 2021-2022 the Company has reduced the share capital from ₹ 9,402.07 Lacs to ₹ 3,760.83 Lacs by reducing nominal value of shares to ₹ 4 per shares from ₹ 10 per shares and paying ₹ 6 per share to eligible shareholder on the record date.

**17.7. The details of Shareholding of Promoters**

**Shares held by the Promoters at the end of the year 2021-22**

Name of the Shareholder	2021-22			2020-21		
	No. of Equity Shares	Equity Shares %	% change during the year	No. of Equity Shares	Equity Shares %	% change during the year
The Supreme Industries Limited	28936400	30.78		28936400	30.78	
R. Raheja Investments Private Limited	28936400	30.78		28936400	30.78	
Hathway Investments Private Limited	1419900	1.51	0.68	784400	0.83	
Jovil Investment and Trading Company Private Limited	313133	0.33	11.94	279733	0.30	
Venketesh Investment and Trading Company Private Limited	314426	0.33	12.40	279733	0.30	



Name of the Shareholder	2021-22			2020-21		
	No. of Equity Shares	Equity Shares %	% change during the year	No. of Equity Shares	Equity Shares %	% change during the year
Boon Investment and Trading Company Private Limited	313341	0.33	12.01	279733	0.30	
Matsyagandha Investment and Finance Private Limited	200	0.00		200	0.00	
Manali Investment and Private Limited	0	0.00	0.00	200	0.00	
Coronet Investment Private Limited	0	0.00	(0.68)	635300	0.68	
Bloomingdale Investment and Finance Private Limited	200	0.00		200	0.00	
Varahagiri Investment and Finance Pvt Ltd	200	0.00		200	0.00	
Rajan B Raheja	400	0.00		400	0.00	
Suman R Raheja	300	0.00		300	0.00	
Akshay R Raheja	200	0.00		200	0.00	
Viren R Raheja	200	0.00		200	0.00	

17.7.1 The details of Shareholders holding more than 5% Shares :

Name of the Shareholder	As at 31-03-2022		As at 31-03-2021	
	No. of Shares	% held	No. of Shares	% held
The Supreme Industries Limited	28936400	30.78	28936400	30.78
R. Raheja Investments Private Limited	28936400	30.78	28936400	30.78

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

Particulars	As at 31-03-2022		As at 31-03-2021	
	No. of Shares		No. of Shares	
Equity Shares at the beginning of the year	94020671		96436047	
Less : Buy Back of Share	-		2415376	
Equity Shares at the end of the year	94020671		94020671	

17.9. The Company has only one class of shares referred to as equity shares having a par value ₹ 4/- per share. Each holder of equity shares is entitled to one vote per share. The holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts in the event of liquidation of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

**17.10. Dividend**

The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in case of interim dividend. The remittance of dividends outside India is governed by Indian law on foreign exchange and is subject to applicable distribution taxes.

In the Board meeting held on October 20, 2021 the board declared an amount of ₹ 4.00 per equity shares as a interim dividend (previous Year ₹ 2.50) which was distributed to equity shares holder. The amount of interim dividend distributed to equity shares holder was ₹ 3,760.82 lakhs (previous Year ₹ 2,350.51) including corporate tax.

The Board of Directors, in their meeting on April 27, 2022, have proposed a final dividend of ₹ 14/- per equity share (Previous year ₹ 12.50/- per equity share) for the financial year ended March 31, 2022. The proposal is subject to the approval of shareholders at the Annual General Meeting to be held on August 02, 2022 and if approved would result in a cash outflow of approximately ₹ 13,162.89 lakhs (previous year ₹ 11,752.58 lakhs)

**NOTE : 18**  
**Reserves & Surplus**

	As at 31-03-2022	As at 31-03-2021
Capital reserves	1,811.59	1,811.59
General reserves	119,852.92	74,863.15
Retained earnings	26,502.43	20,689.35
Other comprehensive income - remeasurement of defined benefit plans	(364.45)	(281.68)
	<b>147,802.49</b>	<b>97,082.41</b>

**NOTE : 19**  
**Non Current Financial Liability**

	As at 31-03-2022	As at 31-03-2021
Lease liability	1,667.09	2,622.22
	<b>1,667.09</b>	<b>2,622.22</b>

**NOTE : 20**  
**Other Non-current Financial Liabilities**

	As at 31-03-2022	As at 31-03-2021
Security deposits from distributors	331.45	333.77
	<b>331.45</b>	<b>333.77</b>

**NOTE : 21**  
**Provisions - Non Current**

	As at 31-03-2022	As at 31-03-2021
<b>Employee Benefit</b>		
Provision for leave encashment	274.08	255.82
Provision for gratuity	68.49	108.12
	<b>342.57</b>	<b>363.94</b>

**NOTE : 22**  
**A. Movement In Deferred Tax Balances**

Particulars				March 31, 2022		
	Net balance April 1, 2021	Recognised in profit or (loss)	Recognised in OCI	Net	Deferred tax asset	Deferred tax liability
Property, Plant and Equipment and Intangible assets	(3,629.77)	133.07		(3,496.70)		(3,496.70)
Employee benefits	163.78	(28.30)	27.83	163.31	163.31	
Trade receivables	10.46	0.59		11.05	11.05	
Other items	(113.62)	(5.01)		(118.63)	106.44	(225.07)
<b>Deferred tax assets/(liabilities)</b>	<b>(3,569.15)</b>	<b>100.35</b>	<b>27.83</b>	<b>(3,440.97)</b>	<b>280.80</b>	<b>(3,721.77)</b>



Particulars				March 31, 2021		
	Net balance April 1, 2020	Recognised in profit or (loss)	Recognised in OCI	Net	Deferred tax asset	Deferred tax liability
Property, Plant and Equipment and Intangible assets	(3,921.18)	291.41		(3,629.77)		(3,629.77)
Employee benefits	137.54	(0.69)	26.93	163.78	163.78	
Trade receivables	7.10	3.36		10.46	10.46	
Other items	33.90	(147.52)		(113.62)	61.14	(174.76)
Deferred tax assets/(liabilities)	(3,742.64)	146.56	26.93	(3,569.15)	235.38	(3,804.53)

### B. Income tax related to items charged or credited directly to profit or loss during the year

(₹ in Lakhs)

Particulars	2021-2022	2020-2021
<b>Statement of profit or loss</b>		
Current Income tax	22,500.19	16,820.00
Relating to earlier year assessment (Excess) / Short Provision (Net)	55.48	(44.25)
	<b>22,555.67</b>	<b>16,775.75</b>

### C. Reconciliation of effective tax rate

(₹ in Lakhs)

Particulars	For the year ended March 31, 2022	For the Year ended March 31, 2021
Profit before tax	88,781.81	64,378.36
Applicable tax rate %	25.17%	25.17%
Income tax expenses	22,346.38	16,204.03
Effect of expenses/Income as that is non-deductible in determining taxable profit	(21.14)	247.86
Temporary changes in recognised deductible differences / Other Adjustment	174.95	368.11
	<b>22,500.19</b>	<b>16,820.00</b>

### NOTE : 23

#### Current Financial Liability

(₹ in Lakhs)

	As at 31-03-2022	As at 31-03-2021
Lease liability	2,056.20	1,483.78
	<b>2,056.20</b>	<b>1,483.78</b>

### NOTE : 24

#### Trade Payables

(₹ in Lakhs)

	As at 31-03-2022	As at 31-03-2021
Total outstanding dues of micro and small enterprises	11.73	45.15
Total outstanding dues of trade payable and acceptance other than micro and small enterprises	52,581.67	56,808.97
	<b>52,593.40</b>	<b>56,854.12</b>

### Trade Payable Ageing Schedule

Outstanding for followig periods from due date of payments as at 31st March, 2022.

Particulars	Unbilled	Not Due	Less than 1 Year	1-2 years	2-3 years	More than 3 Years	TOTAL
(i) MSME	-	11.73	-	-	-	-	11.73
(ii) Others	1,453.66	47,841.60	3,012.31	188.57	81.25	4.28	52,581.67
(iii) Disputed MSME	-	-	-	-	-	-	-
(iv) Disputed Others	-	-	-	-	-	-	-
<b>Total</b>	<b>1,453.66</b>	<b>47,853.33</b>	<b>3,012.31</b>	<b>188.57</b>	<b>81.25</b>	<b>4.28</b>	<b>52,593.40</b>

Outstanding for followig periods from due date of payments as at 31st March, 2021.

Particulars	Unbilled	Not Due	Less than 1 Year	1-2 years	2-3 years	More than 3 Years	TOTAL
(i) MSME	-	45.15	-	-	-	-	45.15
(ii) Others	3,519.86	50,832.62	2,422.44	31.42	2.46	0.17	56,808.97
(iii) Disputed MSME	-	-	-	-	-	-	-
(iv) Disputed Others	-	-	-	-	-	-	-
<b>Total</b>	<b>3,519.86</b>	<b>50,877.77</b>	<b>2,422.44</b>	<b>31.42</b>	<b>2.46</b>	<b>0.17</b>	<b>56,854.12</b>

### NOTE : 25

#### Other Current Financial Liabilities

	As at 31-03-2022	As at 31-03-2021
Creditors for capital goods	1,179.87	275.90
Salary and other benefit payable	46.73	43.86
Derivative liability	42.04	-
Unclaimed dividend	622.39	493.82
Capital reduction amount payable to Share holders	5,641.24	-
Provision for on going CSR Projects	416.38	-
Others	1,716.04	1,109.02
	<b>9,664.69</b>	<b>1,922.60</b>

### NOTE : 26

#### Current Provisions

	As at 31-03-2022	As at 31-03-2021
<b>Employee Benefit</b>		
Provision for leave encashment	108.97	112.05
Provision for gratuity	152.33	134.69
	<b>261.30</b>	<b>246.74</b>



**NOTE : 27**

**Other Current Liabilities**

	(₹ in Lakhs)	
	As at 31-03-2022	As at 31-03-2021
Statutory dues	1,177.75	334.43
Employee and contractor deduction	50.07	52.94
Advances from customers	4,670.76	1,014.40
Duty on export obligation	-	122.29
	<b>5,898.58</b>	<b>1,524.06</b>

**NOTE : 28**

**Revenue From Operations**

	(₹ in Lakhs)	
	2021-2022	2020-2021
<b>Gross Sale (refer note. 42, 43)</b>	<b>502,205.82</b>	317,849.41
<b>Other Operating Income</b>		
Export benefit	776.67	431.92
Scrap sales	247.17	235.91
	<b>1,023.84</b>	667.83
<b>Revenue from operations (Gross)</b>	<b>503,229.66</b>	318,517.24

**NOTE : 29**

**Other Income**

	(₹ in Lakhs)	
	2021-2022	2020-2021
<b>Interest Income</b>		
Interest received on trade receivables	56.19	129.26
Interest received on bank fixed deposits	446.97	147.49
Interest received on corporate deposits	338.12	113.15
Interest received others	1.36	45.38
Unwinding interest	50.75	41.29
	<b>893.39</b>	476.57
<b>Other Non-operating income</b>		
Miscellaneous income	127.60	184.11
	<b>127.60</b>	184.11
<b>Others Gains</b>		
Gain on sale of fixed assets (net)	0.66	-
Gain on discontinued lease liabilities	7.82	26.53
Net Gain / ( Loss ) on fair valuation of investment	481.01	420.79
Net Gain on foreign currency transaction and translation	-	372.11
Bad Debt recovered	-	12.84
Net Gain on redemption of mutual fund and bonds	1,539.64	634.93
	<b>2,029.13</b>	1,467.20
	<b>3,050.12</b>	2,127.88

**NOTE : 30**

**Cost of Materials Consumed**

	(₹ in Lakhs)	
	2021-2022	2020-2021
Consumption raw materials (including packing materials)	<b>270,187.70</b>	159,828.74

**NOTE : 31**

**Purchases of Stock-In-Trade**

	(₹ in Lakhs)	
	2021-2022	2020-2021
Petrochemicals	<b>112,238.19</b>	66,283.24
Others	<b>1,201.70</b>	2,701.81
	<b>113,439.89</b>	68,985.05

**NOTE : 32**

**Changes in Inventories of Finished Goods and Stock-In-Process**

	(₹ in Lakhs)	
	2021-2022	2020-2021
<b>Inventories (at commencement)</b>		
Finished goods	<b>8,475.25</b>	8,883.38
Stock-in-process	<b>189.50</b>	453.03
	<b>8,664.75</b>	9,336.41
<b>Inventories (at close)</b>		
Finished goods	<b>7,649.55</b>	8,475.25
Stock-in-process	<b>201.38</b>	189.50
	<b>7,850.93</b>	8,664.75
	<b>813.82</b>	671.66

**NOTE : 33**

**Employee Benefit Expenses**

	(₹ in Lakhs)	
	2021-2022	2020-2021
Salaries and wages	<b>4,209.57</b>	3,867.76
Contribution to provident and other funds	<b>242.64</b>	303.68
Contribution to gratuity and leave encashment	<b>190.85</b>	207.95
Staff welfare expenses	<b>188.19</b>	188.98
	<b>4,831.25</b>	4,568.37



**NOTE : 34**

**Finance Cost**

	(₹ in Lakhs)	
	2021-2022	2020-2021
<b>Interest</b>		
Interest others	70.15	97.79
<b>Others</b>		
Interest on right of use	406.60	382.17
Unwinding interest	0.59	0.23
Processing fees paid to banks	146.66	246.84
	<b>624.00</b>	<b>727.03</b>

**NOTE : 35**

**Depreciation and Amortisation Expenses**

	(₹ in Lakhs)	
	2021-2022	2020-2021
Depreciation of tangible assets	2,382.61	2,384.87
Amortisation of intangible assets	40.54	32.12
Right of use	1,761.96	1,497.34
	<b>4,185.11</b>	<b>3,914.33</b>

**NOTE : 36**

**Other Expenses**

	(₹ in Lakhs)	
	2021-2022	2020-2021
Consumption of stores and spares	1,013.29	874.24
Power	3,494.97	3,120.45
Fuel	1,863.52	1,052.01
Repairs to building	186.28	206.47
Repairs to machinery	351.32	315.44
Repairs to others	423.38	404.10
Commission on sales	754.63	535.29
Carriage outward	10,664.47	6,890.39
Diminution in value of stores & spares /finished goods (Net)	127.35	8.00
Impairment of assets	17.28	179.66
Allowance for expected credit loss	2.33	13.82
IT Software and Hardware maintenance	161.75	140.84
Rent, rates and taxes	209.21	225.80
Directors' fees	63.30	40.29
Insurance	850.17	658.45
Loss on sale/scraping of fixed assets (net)	-	538.50
Bank charges	114.21	107.99
Materials handling charges	230.57	187.49
Auditors remuneration	39.84	35.33
Legal & Professional fees	583.16	551.37
Travelling & conveyance	201.69	114.31
Advertisement, publicity & business promotion	15.37	18.23
Corporate social responsibility expenses	540.27	351.83
Packing & Forwarding expenses	215.36	185.36
Miscellaneous expenditure	541.36	815.92
Net loss on foreign currency transaction and translation	751.12	-
	<b>23,416.20</b>	<b>17,571.58</b>



	(₹ in Lakhs)	
	2021-2022	2020-2021
<b>Breakup of Auditor Remuneration</b>		
For audit fees	22.00	20.01
For taxation matters	4.50	9.52
For other services & limited review	13.34	5.80
	<b>39.84</b>	<b>35.33</b>

**NOTE : 37**

As per Ind AS 19 "Employee Benefits", the disclosures as defined in the Accounting Standard are given below

	(₹ in Lakhs)	
	2021-2022 (12 Months)	2020-2021 (12 Months)
<b>A. Gratuity</b>		
<b>I. Assumptions :</b>		
Discount Rate (Current)	7.25%	6.82%
Rate of return on Plan Assets Current Year	7.25%	6.82%
<b>II. Changes in the defined benefit obligation :</b>		
Liability at the beginning of the year	1,399.32	1,176.24
Interest cost	95.43	80.45
Current Service cost	51.52	47.14
Benefits paid	(50.24)	(11.49)
Actuarial (gains)/ losses on obligations due to change in demographic Assumption	(0.24)	-
Actuarial (gains)/ losses on obligations due to change in financial Assumption	37.44	1.13
Actuarial (gains)/ losses on obligations due to experience	75.51	105.85
Liability at the end of the year <b>(a)</b>	<b>1,608.74</b>	1,399.32
<b>III. Changes in the fair value of plan assets :</b>		
Fair value of plan assets at the beginning of the year	1,156.54	987.91
Interest Income	78.85	67.57
Employer's contributions	200.69	112.55
Actuarial (gains)/ losses on plan assets		
Benefits paid	(50.24)	(11.49)
Return on plan assets, excluding Interest Income	2.08	-
Fair value of plan assets at the end of the year <b>(b)</b>	<b>1,387.92</b>	1,156.54
<b>IV. Balance Liability (a-b)</b>	<b>220.82</b>	242.78
<b>V. Actual Return on plan Assets :</b>		
Expected return on plan assets	78.85	67.57
Remesurement gains / (losses) on plan assets	2.08	-
Actual return on plan assets	<b>80.93</b>	67.57
<b>VI. Expenses Recognised in Statement of Profit and Loss :</b>		
Current Service Cost	51.52	47.14
Interest Cost	16.56	12.88
Expenses recognized in Profit & Loss	<b>68.08</b>	60.02
<b>VII. Expenses Recognised in the Other Comprehensive Income (OCI) :</b>		
Actuarial gains / (losses) on obligation for the period	112.68	106.99
Return on plan assets, excluding Interest Income	(2.08)	-
Expenses recognized in Other Comprehensive Income (OCI)	<b>110.60</b>	106.99
<b>VIII. The Categories of plan assets as a percentage of total plan are as follows :</b>		
Insurer managed funds	<b>100%</b>	100%



Amounts for the current and previous four periods are as follows :

(₹ in Lakhs)

Particulars	2022	2021	2020	2019	2018
Defined benefit obligation	<b>1,608.74</b>	1,399.32	1,176.25	1,002.35	948.40
Plan assets	<b>1,387.92</b>	1,156.54	987.90	895.71	835.20
(Surplus) / deficit	<b>220.82</b>	242.78	188.35	106.64	113.20
Experience adjustments on plan liabilities	<b>75.51</b>	105.85	23.03	6.04	75.75
Remesurement gain/(loss) on plan assets	-	-	(9.30)	2.07	5.18

**B. Leave Encashment**

The valuation of Leave Encashment has been done on exit as well as availment during the service. This liability forms part of other long term benefits as per the standard and does not require disclosures as mentioned in Para 158 of the Ind AS 19.

**C. Provident Fund**

The provident fund contribution is made to a trust administered by the Company. In terms of the guidance note issued by the Institute of Actuaries of India, the actuary has provided a valuation of provident fund liability based on assumptions listed below and determined that there is no Interest shortfall as at 31st March, 2022.

The assumptions used in determining the present value of obligation of interest rate guarantee under deterministic approach are:

Average holding period of assets	5 Years
Guaranteed rate	8.10 % (Proposed)

**NOTE : 38**

**Financial Instruments : Accounting classifications, Fair value measurements**

March 31, 2022

(₹ in Lakhs)

Particulars	Carrying Value	Classification			Fair Value		
		FVTPL	FVTOCI	Amortised Cost	Level 1	Level 2	Level 3
<b>Financial Assets</b>							
Trade receivables	<b>41,178.46</b>	-	-	<b>41,178.46</b>	-	-	-
Loans and Advances							
Security deposits	<b>445.94</b>	-	-	<b>445.94</b>	-	-	<b>445.94</b>
Fixed Deposit with Bank	<b>32.34</b>	-	-	<b>32.34</b>	-	-	-
Loans to employees	<b>200.88</b>	-	-	<b>200.88</b>	-	-	<b>200.88</b>
Derivative assets	<b>8.20</b>	<b>8.20</b>	-	-	<b>8.20</b>	-	-
Investments	<b>48,378.88</b>	<b>48,378.88</b>	-	-	<b>48,378.88</b>	-	-
Cash on hand	<b>8.48</b>	-	-	<b>8.48</b>	-	-	-
Bank Balances & cheques on hand	<b>21,745.32</b>	-	-	<b>21,745.32</b>	-	-	-
Other Bank Balance	<b>22,991.07</b>	-	-	<b>22,991.07</b>	-	-	-
Other Financial assets	<b>495.29</b>	-	-	<b>495.29</b>	-	-	-
	<b>135,484.86</b>	<b>48,387.08</b>	-	<b>87,097.78</b>	<b>48,387.08</b>	-	<b>646.82</b>

	Carrying Value	Classification		Fair Value		
		FVTPL	Amortised Cost	Level 1	Level 2	Level 3
<b>Financial Liabilities</b>						
Trade payables	<b>52,593.40</b>	-	<b>52,593.40</b>	-	-	-
Other financial liabilities						
Security deposits	<b>331.45</b>	-	<b>331.45</b>	-	-	<b>331.45</b>
Derivative liability	<b>42.04</b>	<b>42.04</b>	-	<b>42.04</b>	-	-
Lease liability	<b>3,723.29</b>	-	<b>3,723.29</b>	-	-	<b>3,723.29</b>
Other financial Liability	<b>3,607.07</b>	-	<b>3,607.07</b>	-	-	-
	<b>60,297.25</b>	<b>42.04</b>	<b>60,255.21</b>	<b>42.04</b>	-	<b>4,054.74</b>

March 31, 2021

(₹ in Lakhs)

Particulars	Carrying Value	Classification			Fair Value		
		FVTPL	FVTOCI	Amortised Cost	Level 1	Level 2	Level 3
<b>Financial assets</b>							
Trade receivables	38,499.16	-	-	38,499.16	-	-	-
Loans and Advances							
Security deposits	504.61	-	-	504.61	-	-	504.61
Fixed Deposit with Bank	31.80			31.80			
Loans to employees	149.62	-	-	149.62	-	-	149.62
Derivative assets	33.78	33.78	-		33.78	-	-
Investments	47,028.31	47,028.31	-		47,028.31	-	-
Cash on hand	7.66	-	-	7.66	-	-	-
Bank Balances & cheques on hand	6,600.05	-	-	6,600.05	-	-	-
Other Bank Balance	4,067.24	-	-	4,067.24	-	-	-
Other Financial assets	141.49	-	-	141.49	-	-	-
	<u>97,063.72</u>	<u>47,062.09</u>	<u>-</u>	<u>50,001.63</u>	<u>47,062.09</u>	<u>-</u>	<u>654.23</u>

	Carrying Value	Classification		Fair Value		
		FVTPL	Amortised Cost	Level 1	Level 2	Level 3
<b>Financial Liabilities</b>						
Trade payables	56,854.12	-	56,854.12	-	-	-
Other financial liabilities						
Security deposits	333.77	-	333.77	-	-	333.77
Derivative liability	-	-	-	-	-	-
Lease liability	4,106.00	-	4,106.00	-	-	4,106.00
Other financial liability	1,922.60	-	1,922.60	-	-	-
	<u>63,216.49</u>	<u>-</u>	<u>63,216.49</u>	<u>-</u>	<u>-</u>	<u>4,439.77</u>

## Sensitivity Analysis

### 1. Change in Foreign Exchange

(₹ in Lakhs)

Effect in INR	Increase	Decrease	Increase	Decrease
	31 March 2022		31 March 2021	
1% Increase / decrease in USD	(238.81)	238.81	(327.97)	327.97
1% Increase / decrease in EURO	0.36	(0.36)	3.64	(3.64)
1% Increase / decrease in CHF	0.15	(0.15)	0.17	(0.17)
1% Increase / decrease in SGD	0.03	(0.03)	8.44	(8.44)

The above table show sensitivity of open forex exposure to USD/INR movement. We have considered 1% (+/-) change in the currency movement, increase indicates appreciation whereas decrease indicates depreciation in the currency rates. The movement does not reflect management forecast on currency movement.

### 2. Change in Interest rate

The Company being a debt free Company is not exposed to Interest rate risks.



**NOTE : 39**

**Financial Risk Management**

The Company's activities expose it to variety of financial risks viz. commodity price risk, credit risk, liquidity risk, capital risk and foreign currency risk. These risks are managed by the senior management of the Company supervised by the Board of Directors to minimise potential adverse effects on the financial performance of the Company.

**Commodity Risk:**

International pricing and demand/ supply risk are inherent in the import of styrene monomer, the main raw material. The Company enters into procurement contracts for import of styrene monomer on annual basis. The contracts specify the quantity and attributes for arriving at monthly pricing. However, a part of the requirement is sourced on spot basis so as to float with fluctuations in the market and to guard against price volatility. The Company has also linked part of its sales to raw material prices so that the Company has adequate cushion to protect its margin in the event of any increase/decrease in raw material costs.

**Credit Risk:**

Credit risk from cash and cash equivalents, derivative financial instruments and bank deposits is considered immaterial in view of the creditworthiness of the banks the Company works with. The Company has specific policies for managing customer credit risk on an ongoing basis; these policies factor in the customer's financial position, past experience and other customer specific factors.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the company. The Company makes provision for doubtful debt or write off when a debtor fails to make contractual payments greater than two years past due. When loans or receivables have either been provided for or written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. When recoveries are made, these are recognised in Statement of Profit and Loss.

**Liquidity Risk:**

The Company needs to ensure that at all times, it meets its payment obligations on time. The table below summarises the Company's liquidity position and its preparedness for likely variations in the liquidity:

(₹ in Lakhs)

Particulars	March 31, 2022	March 31, 2021
Cash, Cash equivalents & bank balances (note: 12)	21,753.81	6,607.71
Investments in mutual funds (note:10)	48,378.88	47,028.31
Fixed deposits with banks (Note 7,13)	16,759.78	3,605.22
Fixed deposits with corporate (Note 15)	5,500.00	5,500.00
Undrawn fund based credit facilities from banks	13,200.00	12,700.00
Liquidity buffer	105,592.47	75,441.24
Borrowings from Banks and Financial Institutions	-	-

The Company is debt free and has, adequate liquidity as detailed above, to meet any exigencies. In addition to the undrawn fund-based credit limits, the Company also has recourse to discount trade receivables backed by letters of credit. These measures are considered by the management adequate to ensure that the Company is not exposed to any liquidity risk.

**Capital Risk Management:**

The Company's Capital Risk management policy objective is to ensure that at all times, it remains a going concern and safeguard interests of its shareholders and other stakeholders.

(₹ in Lakhs)

Particulars	March 31, 2022	March 31, 2021
Net Financial Debt	-	-
Total Equity	151,563.32	106,484.48
Total Capital Employed	155,004.29	110,053.63
Gearing Ratio	-	-

The Company's total owned funds of ₹ 155,004.29 lakhs with zero debt is considered adequate by the management to meet its business interest and any capital risk it may face in future.



### Foreign Currency Risk:

The Company is debt free and hence faces no foreign currency risk on account of debt outstanding. However, the Company depends entirely on imports for its requirement of styrene monomer and other raw materials. It also exports its products in significant quantities. All the transactions are exposed to fluctuation in the external value of rupee largely against US dollar. Exposure to other currencies is minimal.

Particulars	March 31, 2022		March 31, 2021	
	Foreign Currency	₹ in Lakhs	Foreign Currency	₹ in Lakhs
<b>Financial Assets</b>				
Receivables in				
US Dollars	2,368,079.25	1,794.94	1,930,759.22	1,411.58
Euro	775,846.21	653.40	488,184.97	418.62
CHF	18,133.85	14.88	21,997.55	17.06
GBP	46,204.68	45.97	837,795.00	844.10
<b>Financial Liabilities</b>				
Payables in				
US Dollars	63,642,041.90	48,239.08	63,021,800.48	46,075.24
Euro	733,082.60	617.38	63,854.90	54.76
GBP	43,200.00	42.98	-	-
<b>Derivative Contracts</b>				
Forward/ Options Contracts for payables in USD	29,767,091.37		16,231,415.54	

To overcome these risks of cost and pricing due to foreign exchange volatility, the Company hedges part of open foreign exchange exposure relating to imports so as to lessen the impact of foreign exchange rate fluctuations if any in respect of import of raw materials. The Company also has a natural hedge to the extent of its exports and pricing its products locally on import parity basis. These measures are considered adequate by the management of the Company to safeguard from foreign exchange fluctuation risk. However foreign currency exchange rate being dynamic is monitored constantly to decide on proper response measure.

### NOTE : 40

Particulars	(₹ in Lakhs)	
	March 31, 2022	March 31, 2021
<b>(1) Contingent liabilities</b>		
(A) Claims against the Company not acknowledged as debt; (matters pending in court/ arbitration. No cash outflow is expected in future).		
Disputed Excise/ Service Tax demand.	117.57	117.57
Disputed Sales Tax demand	22.89	31.82
Disputed GST matter	16.72	85.68
(B) Counter guarantees given to banks against guarantees issued by the banks.		
Other bank guarantees.	609.94	317.71
(C) Other money for which the Company is contingently liable		
Letters of Credit opened by Banks and outstanding at the year end.	49,061.82	41,401.18
Bills discounted but not matured.	-	193.24
<b>(2) Commitments</b>		
Estimated amount of contracts remaining to be executed on capital account and not provided for;	11,163.00	8,824.00

The management has estimated the provisions for pending litigation, claims and demands (including cases relating to direct and indirect taxes) on its assessment of probability for these demands crystallizing against the Company in due course. The difference between the amount demanded and provision made is disclosed as contingent liabilities.

**NOTE : 41 COVID-19 AND ITS VARIANTS**

During the year the Company carried on its operations at near normal levels except for domestic sales in the first quarter.

The impact of Covid-19 Pandemic and its variants is a continuous process given the uncertainties associated with the nature and duration. Due to the nature of assets and the care taken by the Company all its assets including plant, machinery remain in prime condition and do not call for any alteration in the useful life or the carrying value. The Company has also evaluated the recoverability of receivables and inventory and expects that carrying amounts of these assets are recoverable.

**NOTE : 42**

Sales on Product group wise basis (IND AS 108 Para 32)

	(₹ in Lakhs)	
<b>Description</b>	<b>2021-2022</b>	2020-2021
Styrenics	<b>462,660.59</b>	287,088.60
Masterbatches, Compounds of other Polymers	<b>22,508.13</b>	17,335.59
Others	<b>17,037.10</b>	13,425.22
<b>Total</b>	<b>502,205.82</b>	317,849.41

Sales as per geographic areas (IND AS 108 Para 33(a))

	(₹ in Lakhs)	
<b>Description</b>	<b>2021-2022</b>	2020-2021
Within India	<b>459,889.34</b>	296,340.38
Outside India	<b>42,316.48</b>	21,509.03
<b>Total</b>	<b>502,205.82</b>	317,849.41

Note: (i) Entire non-current assets are located in India.

(ii) None of the Customers individually account for 10% or more sales.

**NOTE : 43****Revenue from Contract with Customers as per disclosure requirements under Ind AS 115.**

The Company offers, performance-based discounts and other discounts as per the prevailing trade practices at the time of sale. A sales invoice is the de facto contract agreement with the Customers. Any credit notes for discounts issued thereafter are reduced from Gross Sales and the Net Sales is shown in the Statement of Profit and Loss. Debit note when issued towards interest on delayed payment, are included under Other Income and shown separately. Both debit and credit notes are subject to GST. Details of the revenue from contracts with customers as it appears in the invoices raised on Customers and credit notes issued thereafter are as below:

	(₹ in Lakhs)	
<b>Sr. No.</b>	<b>2021-2022</b>	2020-2021
1 Revenue from contracts with customers	<b>504,870.74</b>	321,702.29
<i>Less:</i>		
2 Performance & Price Discounts as per Memorandum of Understanding.	<b>929.59</b>	1,618.76
3 Other Discounts as per Trade practices	<b>1,735.33</b>	2,234.12
4 Gross Sales as per statement of Profit and Loss	<b>502,205.82</b>	317,849.41

**NOTE : 44****Investments**

Investments in the Balance Sheet comprises of short-term surplus funds invested in debt and arbitrage schemes of Mutual Funds which are measured at fair value through Profit and Loss. Fixed deposits with banks and HDFC Ltd measured through amortized cost.

**NOTE : 45**

Working capital facilities (including letters of credit) from banks are secured by hypothecation of Company's stock and trade receivables and by second charge by way of mortgage of the Company's immovable properties (including plant and machinery) situated at the Maharashtra & Tamil Nadu plants.

**NOTE : 46**

The Board of Directors of the Company in their meeting held on March 12, 2021, recommended a scheme of reduction of paid up equity share capital of the company from ₹ 10/- per share nominal value to ₹ 4/- per share nominal value, without reducing the number of shares. The scheme was approved by the shareholders vide special resolution dated 12.08.2021 and subsequently the scheme was sanctioned by NCLT, Mumbai vide order dated 10.03.2022. The paid-up share capital of the Company reduced from existing ₹ 9,402.07 lakhs to ₹ 3,760.83 lakhs i.e. by ₹ 5,641.24 lakhs.

As on March 31, 2022 authorized share capital consist of 3125 lakh equity shares of ₹ 4/- each amounting to ₹ 12,500 lakhs, The issued, subscribed and paid-up equity share capital stand reduced from 9,402.07 lakhs consisting of 94020671 shares of ₹ 10/- per share each to ₹ 3,760.83 lakhs consisting of 94020671 shares of ₹ 4/- per share each. Accordingly, every eligible shareholder on the record date viz. 8th April 2022 was paid the due amount on account of said reduction in the nominal value of shares held. The process for re-listing of new shares with nominal value of ₹ 4/- each with BSE/ NSE is in process.

**NOTE : 47**

Disclosure of transactions with Related Parties, as required by Ind AS 24 "Related Party Disclosures" is given below:

**a) Names of the related parties and description of relationship:**

Sr. No.	Particulars	Name of the Party
1	Entities having significant influence	The Supreme Industries Ltd. R. Raheja Investments Pvt. Ltd.
2	Directors and Key Management Personnel	
	A. Non Executive Directors	Shri M. P. Taparia Shri Rajan B. Raheja Shri B. L. Taparia Shri S.J. Taparia Shri R. Kannan Shri M. S. Ramachandran Miss Ameeta Parpia Dr. S. Sivaram Shri Rajeev Pandya Shri K. V. Mujumdar
	B. Wholetime Director	
	C. Key Management Personnel	Shri N. Gopal Shri Rakesh Nayyar Shri D. N. Mishra
	Manager	
	Chief Finance Officer	
	Company Secretary	
	D. Promoter Group Persons & Entities	Hathway Investments Limited Bloomingdale Investment and Finance Private Limited Matsyagandha Investment and Finance Private Limited Varahagiri Investment and Finance Private Limited Rajan B. Raheja Suman R. Raheja Akshay Rajan Raheja Viren Rajan Raheja Jovial Investment and Trading Company Private Limited Venketesh Investment and Trading Company Private Limited Boon Investment and Trading Company Private Limited



**Related parties transactions**

		(₹ in Lakhs)	
Sr. No.	Nature of transactions	2021 – 2022	2020 – 2021
	Entities having significant influence		
<b>1. *</b>	<b>The Supreme Industries Ltd.</b>		
A.	Sale of Goods (Net)	<b>9,068.28</b>	8,211.23
B.	Purchase of goods	<b>191.37</b>	150.25
C.	Balance receivable (Sales of goods)	<b>19.27</b>	1,727.87
D.	Balance payable (Purchase of goods)	<b>3.27</b>	16.25
	* All Transactions are on commercial basis at market rates.		
<b>2.</b>	<b>R. Raheja Investments Pvt. Ltd.</b>	<b>NIL</b>	NIL
<b>3.</b>	<b>Loan to Shri D. N. Mishra</b>		
	Loan Given	<b>45.00</b>	3.00
	Loan Repay	<b>3.25</b>	2.00
	Loan balance	<b>42.75</b>	1.00
<b>4.</b>	<b>Directors sitting fees</b>		
A.	Shri M. P. Taparia (Non-Executive, Non-Independent / Promoter Director / Chairperson)	<b>7.30</b>	3.30
B.	Shri Rajan B. Raheja (Non-Executive, Non-Independent / Promoter Director)	<b>4.50</b>	3.00
C.	Shri B. L. Taparia (Non-Executive, Non-Independent)	<b>4.50</b>	3.00
D.	Shri S.J. Taparia (Non-Executive, Non-Independent)	<b>7.20</b>	5.10
E.	Shri R. Kannan (Non-Executive-Independent)	<b>10.40</b>	6.40
F.	Shri M. S. Ramachandran (Non-Executive-Independent)	<b>8.30</b>	4.30
G.	Miss Ameeta Parpia (Non-Executive-Independent)	<b>8.20</b>	6.10
H.	Dr. S. Sivaram (Non-Executive-Independent)	<b>4.50</b>	3.50
I.	Shri Rajeev Pandya (Non-Executive-Independent)	<b>8.40</b>	5.50
J.	Shri K. V. Mujumdar (Whole Time Director) \$	<b>NIL</b>	NIL
	\$ Shri K. V. Mujumdar : appointed w.e.f. 19th September, 2020.		
<b>5.</b>	Advisory Service charges paid to Shri M. S. Ramachandran	<b>5.00</b>	5.00

		(₹ in Lakhs)	
Sr. No.	Nature of transactions	2021 – 2022	2020 – 2021
	<b>Remuneration paid – Key Managerial personnel</b>		
1	Employment benefits (\$ see note below)	<b>754.52</b>	621.08
2	Post-employment benefit	<b>2.00</b>	2.00

(\$ ) Previous year remuneration paid to Shri K. V. Mujumdar was for the period from 19th September, 2020 to March 31, 2021.



**Dividend**

		(₹ in Lakhs)	
Sr. No.	Nature of Transactions	2021 – 2022	2020 – 2021
1	<b>Dividend paid on Equity Shares</b>		
	The Supreme Industries Ltd. Entity having significant influence	4,774.51	1,157.46
	R. Raheja Investments Pvt. Ltd. Entity having significant influence	4,774.51	1,157.46
	<b>Promoter Group Persons &amp; Entities :-</b>		
	Suman R. Raheja	0.05	0.01
	Akshay Rajan Raheja	0.03	0.008
	Viren Rajan Raheja	0.03	0.008
	Bloomingdale Investment and Finance Private Limited	0.03	0.008
	Coronet Investment Private Limited (* see note below)	104.82	25.41
	Hathway Investment Private Limited	129.43	31.38
	Matsyagandha Investment and Finance Private Limited	0.03	0.008
	Manali Investment and Finance Private Ltd (* see note below)	0.03	0.008
	Varahagiri Investment and Finance Pvt. Ltd.	0.03	0.008
	Jovial Investment and Trading Company Private Limited	46.16	11.19
	Venketesh Investment and Trading Company Private Limited	46.16	11.19
	Boon Investment and Trading Company Private Limited	46.16	11.19
	<b>Directors</b>		
	Shri M. P. Taparia Director	6.22	1.51
	Shri B.L. Taparia Director	0.80	0.19
	Shri S.J. Taparia Director	6.22	1.51
	Shri Rajan B. Raheja Director	0.06	0.02
	Miss Ameeta Parpia Director	8.99	0.88
	Shri K. V. Mujumdar Wholetime Director	0.50	0.12
	<b>Key Management Personnel</b>		
	Shri N. Gopal Manager	2.63	0.64
	Shri Rakesh Nayyar Chief Financial Officer	0.08	0.02
	Shri D. N. Mishra Company Secretary	0.11	-

(\*) Merged with Hathway Investments Limited w.e.f. 07.02.2022.



**NOTE : 48**

**Relationship with struck off companies**

Name of struck off company	Nature of transactions with struck off company	Balance Outstanding	Relationship with the struck off Company, if any, to be disclosed
Ultra Petro Trade Pvt. Ltd.	Payables	NIL	Distributor
		No. of Shares	
Ingram Investments Pvt. Ltd.	Equity Share	3800	Shareholder
Aaliya Realtors Pvt. Ltd.	Equity Share	1500	Shareholder
Wizard Insurance Services Pvt Ltd.	Equity Share	1100	Shareholder
Ganga Finance Ltd	Equity Share	1100	Shareholder
Ghan Shyam Dass Khandelwal & Sons P. Ltd.	Equity Share	500	Shareholder
Amolak Minerals Pvt. Ltd.	Equity Share	400	Shareholder
Supan Finance Pvt. Ltd.	Equity Share	100	Shareholder
DBS Securities P. Ltd.	Equity Share	17	Shareholder
Dreams Broking Pvt. Ltd.	Equity Share	2	Shareholder

**NOTE : 49**

**Disclosures under IND AS 116 : Lease Liabilities**

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2022 :

(₹ in Lakhs)

Particulars	Category of ROU		
	Building	Plant and Machinery (Shore Tanks)	Total
Balance Sheet as at April 1st, 2021			
Reclassified on account of adoption of Ind AS 116			
Opening	718.44	3,207.17	3,925.61
Additions	-	1,332.47	1,332.47
Deletions	-	55.09	55.09
Depreciation	213.78	1,548.18	1,761.96
<b>Balance Sheet as at March 31, 2022</b>	<b>504.66</b>	<b>2,936.37</b>	<b>3,441.03</b>

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2021:

(₹ in Lakhs)

Particulars	Category of ROU		
	Building	Plant and Machinery (Shore Tanks)	Total
Balance Sheet as at April 1st, 2020 (includes transaction impact on account of Ind AS 116 "Lease")			
Reclassified on account of adoption of Ind AS 116			
Opening	932.22	1,915.16	2,847.38
Additions	-	2,990.94	2,990.94
Deletions	-	415.37	415.37
Depreciation	213.78	1,283.56	1,497.34
Balance Sheet as at March 31, 2021	718.44	3,207.17	3,925.61

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the statement of Profit and Loss

The following is the break-up of current and non-current lease liabilities as at March 31, 2022:

(₹ in Lakhs)

Particulars	As At March 31, 2022	As At March 31, 2021
Current lease liabilities	2,056.20	1,483.78
Non-Current lease liabilities	1,667.09	2,622.22

The following is the movement in lease liabilities during the year ended March 31, 2022:

(₹ in Lakhs)

Particulars	As At March 31, 2022	As At March 31, 2021
<b>Balance at the beginning</b>	<b>4,106.00</b>	2,928.33
Additions	1,332.47	2,973.50
Finance costs accrued during the period	406.60	382.17
Deletions	62.91	441.90
Payment of lease liabilities	2,058.87	1,736.10
<b>Balance at the end</b>	<b>3,723.29</b>	4,106.00

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2022 on an undiscounted basis:

(₹ in Lakhs)

Particulars	As At March 31, 2022	As At March 31, 2021
Less than one year	2,363.50	1,829.14
One to five years	1,821.61	2,946.34
<b>Total</b>	<b>4,185.11</b>	4,775.48

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

**NOTE : 50**

(₹ in Lakhs)

Particulars	2021-2022	2020-2021
<b>Earnings per share (EPS)</b>		
Profit after tax.	66,326.49	47,749.17
Number of equity shares at the beginning of the year.	94020671	96436047
Number of equity shares at the end of the year.	94020671	94020671
Weighted average number of shares outstanding for basic EPS during the year.	94020671	94305657
Basic earning per share (Rupees)	70.54	50.63
(Face value – ₹ 10/- per share upto 28.03.2022 & ₹ 4/- thereafter)		
Profit after tax for computing Diluted EPS.	66,326.49	47,749.17
Weighted average number of shares for computing Diluted EPS during the year.	94020671	94305657
Diluted earnings per share (Rupees)	70.54	50.63
(Face value – ₹ 10/- per share upto 28.03.2022 & ₹ 4/- thereafter)		

**NOTE : 51**

No. Ratio along with formula	2021-2022	2020-2021
1 Current Ratio (Current Assets/Current Liability)	2.48	2.20
2 Debt: Equity Ratio (Lease Liability/ Net Worth)*	0.03	0.05
3 Debt Service Coverage Ratio (EBITDA/Interest + Principal)*	43.96	37.64
4 Return on Equity (Net Profit/Average Net Worth)	51.41%	54.94%
5 Inventory Turnover ratio (Consumption of material + Goods for resale + Changes in FG & WIP)/Closing stock average @	12.52	8.03
6 Trade receivable turnover ratio (Revenue from operation/Average account receivable) @	12.63	10.06
7 Trade payable turnover ratio (Consumption of material + Goods for resale + Changes in FG & WIP)/ Average Trade Payable) @	7.08	4.43
8 Net Capital Turnover Ratio (Operating Income/ Avg. Capital Employed)	3.80	3.52
9 Net profit ratio (Net profit/Revenue)	13.10%	14.89%
10 Return on Capital Employed (PBIT/Average Capital Employed)	67.46%	71.89%
11 Return on Investment (Other than business income/Average Investment)	3.87	3.59

\*Company is debt free, for Debt : Equity ratio calculation purpose, amortized value of right to use assets taken on lease is taken as debt.

@ Ratio's improved due to better working capital management.



**NOTE : 52**

According to the information available with the Management, on the basis of intimation received from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), the Company has amounts due to micro and small enterprises under the said Act as at March 31, 2022 as follows:

	(₹ in Lakhs)	
<b>Particulars</b>	<b>2021-2022</b>	<b>2020-2021</b>
Principal Amount due	<b>11.73</b>	45.15
Interest due on above	-	-
Amount of interest paid in terms of section 16 of the MSME Act, 2006	-	-
Amount of interest due and payable for the period of delay	-	-
Amount of interest accrued and remaining unpaid as at year end	-	-
Amount of further interest remaining due and payable in the succeeding year	-	-

**NOTE : 53**

Details under provisions of Section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility (CSR) are as indicated below:

- 1) The gross amount required to be spent by the Company during the year : ₹ 540.27 lakhs net of the excess expenditure of ₹ 14.94 lakhs incurred on CSR during FY 2020-21. (Previous Year ₹ 336.88 lakhs)

	(₹ in Lakhs)		
<b>Amount spent during the year on</b>	<b>In cash</b>	<b>Yet to be paid in Cash</b>	<b>Total</b>
<b>A) Health &amp; Hygiene</b>			
Creation/acquisition of capital asset	<b>41.32</b>	<b>416.38</b>	<b>457.70</b>
	(24.64)	(-)	(24.64)
Others	<b>8.00</b>	-	<b>8.00</b>
	(2.98)	(-)	(2.98)
<b>B) Education</b>			
Creation/acquisition of capital asset	<b>68.33</b>	-	<b>68.33</b>
	(60.35)	(-)	(60.35)
Others	<b>2.00</b>	-	<b>2.00</b>
	(171.70)	(-)	(171.70)
<b>C) Culture Affairs</b>			
Creation/acquisition of capital asset	-	-	-
	(-)	(-)	(-)
Others	<b>1.10</b>	-	<b>1.10</b>
	(0.70)	(-)	(0.70)
<b>D) Covid- 19 Relief Support</b>			
Creation/acquisition of capital asset	-	-	-
	(-)	(-)	(-)
Others	<b>22.56</b>	-	<b>22.56</b>
	(59.45)	(-)	(59.45)
<b>E) P M Care – donation</b>	-	-	-
	(25.00)	-	(25.00)
<b>F) Administrative Overheads</b>	<b>5.86</b>	-	<b>5.86</b>
	(7.00)	-	(7.00)
<b>Total</b>	<b>149.17</b>	<b>416.38</b>	<b>565.55</b>
	(351.82)	(-)	(351.82)

3) Excess amount spent under Section 135(5) :

(₹ in Lakhs)

Opening balance Excess/(short)	Amount required to be spent during the year	Amount spent / incurred during the year	Provision made for ongoing projects	Closing balance (Excess/(short) amount spent)
14.94	555.21	149.17	416.38*	25.28
(88.80)	(248.08)	(351.82)	(-)	14.94

\* The Company has taken up projects under CSR which are under implemented. An amount of ₹ 416.38 lakhs allocated to these projects and yet to be spent, was transferred to a separate fund maintained with one of the Company's bankers on April 25, 2022. There is no shortfall in the amount to be incurred under CSR for the year 2021-22.

**NOTE : 54**

Final quarterly stock statements submitted to banks are in agreement with books of accounts.

**NOTE : 55**

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("intermediaries") with the understanding, whether recorded in writing or otherwise, that the intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the "Ultimate Beneficiaries".

**NOTE : 56**

The new Code on Social Security, 2020 has been enacted but the effective date from which the changes are applicable is yet to be notified and the rules are yet to be framed. The Company shall give appropriate impact in its financial statements in the period in which the Code becomes effective and the related rules are published.

**NOTE : 57**

Additional Regulatory Information detailed in clause 6L of General Instructions given in Part I of Division II of the Schedule III to the Companies Act, 2013 are furnished to the extent applicable to the Company.

**NOTE : 58**

Previous year's figures have been regrouped and rearranged wherever necessary to conform to this period's classification.

As per our report of even date.

For and on behalf of the Board

For **G. M. Kapadia & Co**  
Chartered Accountants  
Firm's Reg. No.104767W

**N. Gopal**  
Executive Director (Styrenics) & Manager

**Rajan B. Raheja**  
**S. J. Taparia**  
**R. Kannan**  
Directors

**Rajen Ashar**  
Partner  
Membership No. 048243

**Rakesh Nayyar**  
Executive Director  
(Finance & Corporate Affairs) &  
Chief Financial Officer

**D. N. Mishra**  
Company Secretary

Place : Mumbai  
Date : April 27, 2022

Place : Mumbai  
Date : April 27, 2022

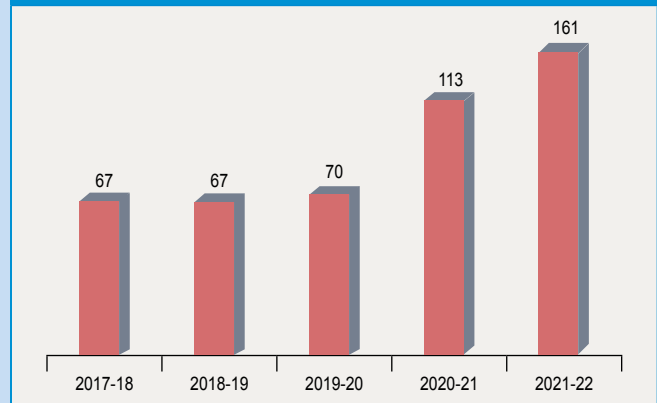


## FINANCIAL HIGHLIGHTS

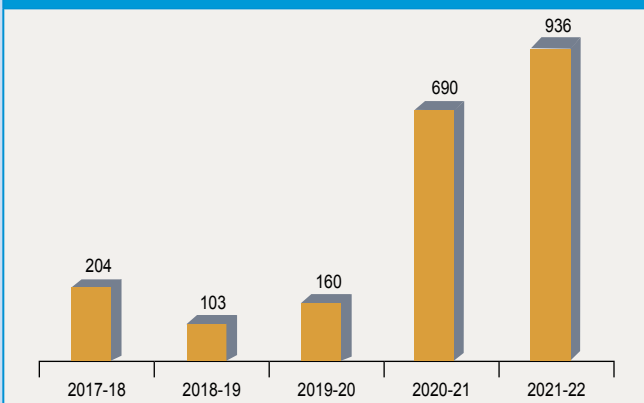
Sales Revenue (₹ Cr.)



Book Value Per Share (₹)



EBIDTA (₹ Cr.)



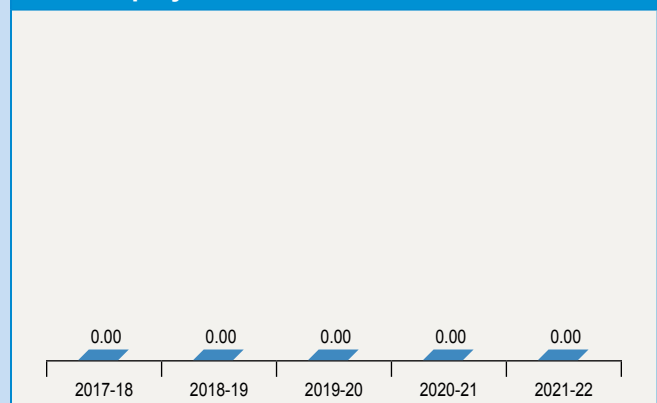
Net Worth (₹ Cr.)



Net Profit (₹ Cr.)



Debt : Equity





## **SUPREME PETROCHEM LTD**

Solitaire Corporate Park, Building No. 11, 5th Floor, 167, Guru Hargovindji Marg,  
Andheri-Ghatkopar Link Road, Chakala, Andheri (East), Mumbai - 400 093, Maharashtra, India.  
Website: [www.supremepetrochem.com](http://www.supremepetrochem.com)