

# ANNUAL REPORT

2023 - 2024



**SUPREME PETROCHEM LTD**

**PERFORMANCE HIGHLIGHTS**

₹ in Lakhs unless indicated otherwise

	<b>2023-2024</b>	2022-2023	2021-2022	2020-2021	2019-2020	2018-2019	2017-2018	2016-2017	2015-2016	2014-2015
	<b>(12 Months)</b>	(12 Months)	(12 Months)	(12 Months)	(12 Months)	(12 Months)	(12 Months)	(12 Months)	(9 Months)	(12 Months)
Net Sales	<b>525334</b>	528720	503230	318517	272425	319381	302661	291862	206805	265254
Other Income	<b>6814</b>	5894	3050	2128	1193	1003	802	749	347	319
Total Income	<b>532149</b>	534614	506280	320645	273618	320384	303463	292611	207152	265573
Operating Profit (EBIDTA)	<b>53493</b>	71707	93444	69020	16042	10338	20429	30477	10721	9654
Financial Cost	<b>722</b>	358	477	727	649	394	460	470	531	1660
Depreciation/Amortisation	<b>5949</b>	4660	4185	3914	3603	2327	2075	2222	1705	2364
Profit Before Tax & Exceptional items	<b>46822</b>	66689	88782	64378	11790	7616	17894	27785	8485	5629
Net Profit	<b>34649</b>	49814	66326	47749	10265	4921	11612	17941	5705	3570
Paid up Equity Capital	<b>3760.83</b>	3760.83	3760.83	9402.07	9643.61	9650.20	9650.20	9650.20	9650.20	9650.20
Reserves and Surplus	<b>198150</b>	180626	147802	97082	57684	54593	54909	48560	31823	27986
Shareholders' Funds (Net Worth)	<b>201911</b>	184387	151563	106484	67328	64243	64559	58210	41473	37636
Deferred Tax Liability (Net)	<b>3734</b>	3541	3441	3569	3743	5233	4874	4787	4796	4848
Capital Employed	<b>205645</b>	187928	155004	110053	71070	69476	69433	62997	46269	42485
Avg Capital Employed	<b>196787</b>	171466	132528	90562	70273	69455	66215	54633	44377	43520
Earning Per Equity Share (₹)	<b>18.43</b>	26.49	35.27	50.63	10.64	5.10	12.03	18.59	5.91	3.70
Cash Earning Per Equity Share (₹)	<b>21.59</b>	28.97	37.50	54.78	14.37	7.51	14.18	20.89	7.68	6.15
Book Value (₹)	<b>107</b>	98	81	113	70	67	67	60	43	39
Dividend Per Share	<b>9.00**</b>	11.00	18.00	15.00	5.50	3.00	4.50	4.50	1.50	1.50
Face Value per Share	<b>2</b>	2*	4@	10	10	10	10	10	10	10
ROACE (%) (PBIT/Average capital Employed)	<b>24.16</b>	39.10	67.35	71.89	17.70	11.53	27.72	51.72	20.32	16.75
ROANW (%) (PAT/Average Net Worth)	<b>17.94</b>	29.66	51.41	54.94	15.60	7.64	18.92	36.00	14.42	9.64
Total Outside Liabilities/ Total Net Worth	<b>0.50</b>	0.46	0.48	0.61	0.81	0.82	0.93	0.86	1.15	1.21

\*\* Including a final dividend of ₹ 7/- (Seven) per equity share on face value of ₹ 2/- (Two) per equity share of the company subject to approval of shareholders.

\* Each share of face value of ₹ 4/- (Four) was split into two shares of ₹ 2/- (Two) each in January 2023.

@ Face value is post reduction of capital by ₹ 6/- (Six) per share paid to 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

**MANAGEMENT TEAM:**

N Gopal, Executive Director & Manager  
Rakesh Nayyar, Executive Director & CFO

**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  
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 - 402106.  
(ii) Ammulavoyil Village, Andarkuppam Post,  
Manali New Town, Chennai, Tamil Nadu - 600103.

**BANKERS:**

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

**AUDITORS:**

Kalyaniwalla & Mistry LLP, 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.

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**NOTES**



## NOTICE

NOTICE is hereby given that the 35th Annual General Meeting (AGM) of the Members of SUPREME PETROCHEM LTD (“the Company”) will be held on Thursday, July 04, 2024 at 4.00 p.m. (IST) through video conference (“VC”)/other audio-visual means (“OAVC”) to transact following items of business:

### ORDINARY BUSINESS:

#### Item No. 1 – Adoption of Financial Statements

To consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2024, together with the Reports of the Board of Directors and Auditors thereon.

#### Item No. 2 – Declaration of Dividend

To confirm the Interim Dividend of ₹ 2/- per share paid on the paid-up Equity Shares of the Company in October 2023 (Face Value ₹ 2/- per Equity Share) and to declare final dividend on the Equity Shares of the Company for the financial year ended March 31, 2024 (Face Value ₹ 2/- per Equity Share).

### SPECIAL BUSINESS:

#### Item No. 3 – Reappointment of Shri M. P. Taparia (DIN : 00112461) as a Non-Executive, Non-Independent Promoter Director of the Company liable to retire by rotation.

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

“**RESOLVED THAT** pursuant to the provisions of Section 152(6) and other applicable provisions of the Companies Act, 2013 and rules made thereunder (including any statutory amendment(s)/modification(s)/enactment(s) thereof for the time being in force), Shri M. P. Taparia (DIN: 00112461), who retires by rotation and being eligible offers himself for reappointment, be and is hereby reappointed 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 (DIN: 00112461), 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”.

#### Item No. 4 – Reappointment of Shri S. J. Taparia (DIN: 00112513) as a Non-Executive, Non-Independent Director of the Company liable to retire by rotation.

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

“**RESOLVED THAT** pursuant to the provisions of Section 152(6) and other applicable provisions of the Companies Act, 2013 and

rules made thereunder (including any statutory amendment(s)/modification(s)/enactment(s) thereof for the time being in force), Shri S. J. Taparia (DIN: 00112513), who retires by rotation and being eligible offers himself for reappointment, be and is hereby reappointed 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 (DIN:00112513), 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”.

#### Item No. 5 – Reappointment of Shri N. Gopal as Manager of the Company

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

“**RESOLVED THAT** pursuant to the provisions of Sections 196 and 203 and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder (including any statutory amendment(s)/modification(s)/enactment(s) thereof for the time being in force) and subject to such other approvals as may be necessary, Shri N. Gopal be and is hereby reappointed as Manager of the Company, despite having attained the age of 70 years and above for a period from April 16, 2024 to March 31, 2026 on the remuneration, terms and conditions approved by the Nomination and Remuneration Committee of the Company and as mentioned in the Explanatory Statement annexed to this Notice and in the Employment Agreement executed between the Company and Shri N. Gopal with liberty to the Board of Directors of the Company to vary or increase his remuneration including the perquisites within the prescribed limits or ceilings stipulated under Section 197 of Companies Act, 2013 read with Schedule V thereto and any other applicable rules/regulations, as amended from time to time, without any further reference to the Company, in such manner as may be agreed to between the Board and Shri N. Gopal.

**RESOLVED FURTHER THAT** in the event of loss or inadequacy of profit in any financial year, the Company shall pay to Shri N. Gopal, in respect of such financial year, remuneration by way of salary, allowances, perquisites and other benefits as the Board of Directors may deem fit and suitable, subject to the prescribed ceiling/limits specified under Section 197 of the Companies Act, 2013 read with Schedule V thereto and any other applicable rules/regulations, as amended from time to time.

**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”.





**Item No.6 – Reappointment of Shri Rajeev M. Pandia (DIN: 00021730) as an Independent Director.**

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

**“RESOLVED THAT** Shri Rajeev M. Pandia (DIN: 00021730) who was appointed as an Additional Independent Director of the Company by the Board of Directors with effect from April 26, 2024 and who holds office upto the date of this Annual General Meeting in terms of Section 161 of the Companies Act, 2013 (“the Act”) and Articles of Association of the Company and who is eligible for appointment and has consented to act as a Director of the Company and in respect of whom the Company has received a notice in writing under Section 160 (1) of the Act from a shareholder proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company.

**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and rules made thereunder (including any statutory amendment(s)/modification(s)/enactment(s) thereof for the time being in force), Shri Rajeev M. Pandia (DIN: 00021730), who meets the criteria required for being independent Director in terms of Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and being eligible for reappointment, be and is hereby reappointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 (five) consecutive years from April 26, 2024 to April 25, 2029.

**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 continuation of Shri Rajeev M. Pandia (DIN: 00021730) as an Independent Director of the Company despite attaining the age of 75 years or more during currency of his Directorship with the Company.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts/deeds/things and take all such steps as may be deemed necessary, desirable, proper or expedient for the purpose of giving effect to this resolution and for the matters connected therewith or incidental thereto”.

**Item No. 07 - Revision in the remuneration of Shri K. V. Mujumdar, Whole Time Director of the Company**

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

**“RESOLVED THAT** pursuant to the provisions of section 197 of Companies Act, 2013 and Schedule V thereto as amended from time to time, and in reference to the special resolution passed by the members on July 01, 2021 for appointment of Shri K. V. Mujumdar as a Whole Time Director of the Company for a

period of 5 years w.e.f. September 19, 2020 to September 18, 2025 and fixing his remuneration, the consent of the members be and is hereby accorded to revise the remuneration of Shri K. V. Mujumdar w.e.f. April 01, 2024 to September 18, 2025 (viz. the remaining term of his service as per existing employment agreement) for an amount not exceeding ₹ 200 Lakhs (Rupees Two Hundred Lakhs) per annum with other terms and conditions remaining same as contained in his employment agreement dated October 16, 2020 and explanatory statement annexed to this notice.

**RESOLVED FURTHER THAT** in the event of loss or inadequacy of profit in any financial year, the Company shall pay to Shri K.V. Mujumdar, in respect of such financial year, remuneration by way of salary, allowances, perquisites and other benefits as the Board of Directors may deem fit and suitable, subject to the limits provided under section 197 of the Companies Act, 2013 and Schedule V thereto and any other applicable provisions/rules/regulations, as may be amended from time to time.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to take such steps/activities as may be necessary, desirable or expedient to give effect to this resolution”.

**Item No.8 – 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 statutory amendment(s)/modification(s)/re-enactment(s) thereof for the time being in force), the remuneration of ₹ 4,85,000/- (Rupees Four Lakhs Eighty Five Thousand Only) per annum plus out of pocket expenses & GST (on actuals) to M/s. Kishore Bhatia & Associates, (Firm Registration No.00294) - Cost Accountants as fixed by the Audit Committee/Board of Directors for appointing them as Cost Auditors of the Company for the Financial Year 2024-2025 to conduct audit of its cost accounting records in terms of 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/deeds and take all such steps as may be necessary, proper or expedient for giving effect to this resolution”.

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

**D. N. MISHRA**  
Company Secretary  
FCS- 5506

**Registered Office:**

Supreme Petrochem Ltd  
 CIN L23200MH1989PLC054633  
 Solitaire Corporate Park, Building No. 11,  
 5th Floor, 167, Guru Hargovindji Marg,  
 Andheri-Ghatkopar Link Road,  
 Chakala, Andheri (East), Mumbai - 400 093  
 Tel : +91 22 67091900  
 email : investorhelpline@spl.co.in  
 website: www.supremepetrochem.com

Date: April 24, 2024

Place: Mumbai

**NOTES**

1. The Ministry of Corporate Affairs ('MCA') has vide its General Circulars No. 20/2020 dated May 5, 2020, 02/2022 dated May 05, 2022, 10/2022 dated December 28, 2022, the latest being 09/2023 dated September 25, 2023 (collectively referred to as 'MCA Circulars') permitting the holding of the Annual General Meeting ('AGM') through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM'), without the physical presence of the Members at a common venue. Further, the Securities and Exchange Board of India ('SEBI') vide its circulars dated May 12, 2020, January 15, 2021, May 13, 2022, January 5, 2023 and the latest being October 7, 2023 ('SEBI Circulars') has also granted certain relaxations for holding e-AGM. In compliance with the provisions of the Companies Act, 2013, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), MCA Circulars and SEBI Circulars as aforesaid, this 35th AGM of the Company is being held through VC/OAVM on Thursday, 4th day of July, 2024 at 4.00 p.m.
2. The Registered Office of the Company shall be deemed to be the scheduled venue for the AGM.
3. Since the AGM will be held through VC/OAVM, 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. Notice of the AGM along with Annual Report (comprising financial statements) for the F.Y. 2023-24, is being sent only through electronic mode to those Members whose email address(es) are registered with the Company/Depositories/R&T Agent in accordance with aforesaid MCA/SEBI Circulars. Members may note that the Notice and Annual Report for F.Y. 2023-24 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) requiring Annual Report and/or AGM Notice of the Company.

Alternatively, Member(s) may send signed copy of the request letter providing their e-mail address, mobile number, self-attested PAN copy, DP ID (in case of dematted shares), Folio No. (in case of physical mode shares) via e-mail at the Email Id - 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 signature(s) 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 at all times.
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 the AGM is being held through VC/OAVM and not in physical manner pursuant to the aforesaid MCA / SEBI Circulars, 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 of the Company (holding 2% shares or more), 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) from Company including Annual Reports and Notices etc., the Members having de-matted 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, they 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 follow 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 **Wednesday, June 26, 2024 (9.00 a.m. IST) to Saturday, June 29, 2024 (5.00 p.m. IST)** mentioning their name, DEMAT Account No. or 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 logging in to <https://emeetings.kfintech.com> and clicking the button appearing next to the thumb symbol.
15. 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 reappointment at the AGM is annexed hereto.
16. 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 8 of the Notice is annexed hereto.
17. As per Regulation 40 of SEBI (LODR) 2015, 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.

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 first complete their KYC with RTA (KFin) by way of filing form ISR1, ISR2, ISR3 or Nomination Form SH13, ISR4 etc. and should also consider converting their shareholdings into dematerialized form at the earliest. Members can contact KFin for assistance in this regard.
18. In terms of SEBI Circulars / Regulations, 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 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.
19. 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 certificate(s) to the R&T Agent of the Company for enabling them to consolidate the shares in accordance with due process thereof.
20. Register of Members and Share Transfer Books of the Company will remain closed from Friday, June 28, 2024 to Thursday, July 04, 2024 (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. In terms 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 at [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 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. The 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 purpose of dividend payments electronically. 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 members of Company, as per SEBI Circular dated 17.11.2023, should note that no dividend warrant will be despatched by Company to the Members w.e.f. April 1, 2024 for payment of dividends, if any, if they have not completed their KYC with the Company or its RTA or respective depositories and in such a case, the unpaid dividend amount will be transferred to the Unpaid Dividend Account of the Company opened with any scheduled bank in terms of the applicable provisions of the Listing Agreement or Companies Act, 2013, as may be applicable. Such member(s), however, will get a notification from the Company about status of their KYC and only after completion of their KYC, their unpaid dividend(s) amount will be released directly to the bank account(s) of respective member(s) electronically.

23. The Company will not entertain any direct request from Member(s) for deletion/change in their bank details. Members may, therefore, give instructions regarding bank accounts in which they wish to receive the dividend, directly to their Depository Participants/Company/RTA of the Company, as the case may be.
24. If the final dividend, as recommended by the Board of Directors, if approved at the AGM, payment of such dividend will be made on or after Wednesday, July 24, 2024 to all the eligible shareholders who hold shares of the Company as on the record date viz. at the close of business hours on Thursday, June 27, 2024 (for de-mat and physical shareholders both).
25. Pursuant to Finance Act 2020, dividend income is 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 respective legal provisions of Income Tax Act, as amended thereto 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 @ 10% on the amount of Dividend declared and paid by the Company during financial year 2024-25 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 2024-25 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 2024-25, 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, the soft copy of TDS certificate of the Members may be sent at their registered email ID, 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, as may be required.

However, if the shareholder(s) do not receive TDS certificate for any reason, whatsoever, they can directly write a mail to the Company at [investorhelpline@spl.co.in](mailto:investorhelpline@spl.co.in) for the same.

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 de-mat 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 an email to [spldividend@spl.co.in](mailto:spldividend@spl.co.in) upto Thursday, June 27, 2024 (5.00 p.m. IST) with 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) Thursday, June 27, 2024.

26. Shareholders who have not yet en-cashed their dividend warrant(s) for the financial year 2016-17 and/or any subsequent financial years, are requested to submit their claim to KFin immediately to avoid transferring of their unpaid dividend amount to IEPF Account.

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 de-mat 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 its website at URL: <https://supremepetrochem.com/download/sps-dividend-unpaid-registered-for-the-year-final-2016-17.pdf> 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 Dhabliwala (FCS 8331) or failing him Ms. Sarvari Shah (FCS 9697) of Parikh & Associates, Practicing Company Secretaries as Scrutinizer to scrutinize the voting done during the AGM and remote e-voting 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 Thursday, June 27, 2024 (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. Thursday, June 27, 2024 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 Sunday, June 30, 2024.

End of remote e-voting : At 5.00 p.m. (IST) on Wednesday, July 03, 2024.

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 / De-mat)
  - (B) E-Voting in case of Individual Shareholders having shares in electronic / De-mat 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 / De-mat) :

- 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 / De-mat accounts shall choose the voting process separately for each folio / De-mat 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. Thursday, June 27, 2024 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:einward.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 De-matted 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:einward.ris@kfintech.com) for support related to e-voting matter.

**(B) In case of Individual Shareholders having shares in electronic / De-mat mode:**

Such shareholder(s) may also refer the e-voting process mandated for them vide SEBI circular dated December 09, 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 09, 2020 on e-voting facility provided by Listed Companies, Individual shareholders holding securities in De-mat mode are allowed to vote through their De-mat account maintained with Depositories. Shareholders are advised to update their mobile number and email Id in their De-mat 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> <ul style="list-style-type: none"> <li>I. URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a></li> <li>II. Click on the "Beneficial Owner" icon under 'IDeAS' section.</li> <li>III. On the new page, enter existing User ID and Password. Post successful authentication, click on "Access to e-Voting"</li> <li>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.</li> </ul>	<p><b>1. Existing user who have opted for Easi/Easiest</b></p> <ul style="list-style-type: none"> <li>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></li> <li>II. Click on New System Myeasi</li> <li>III. Login with user id and password.</li> <li>IV. Option will be made available to reach e-voting page without any further authentication.</li> <li>V. Click on e-voting service provider name to cast your vote.</li> </ul>
<p><b>2. User not registered for IDeAS e-Services**</b></p> <ul style="list-style-type: none"> <li>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></li> </ul>	<p><b>2. User not registered for Easi/Easiest**</b></p> <ul style="list-style-type: none"> <li>I. Option to register is available at : <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>II. Proceed with completing the required fields.</li> </ul>



NSDL	CDSL
<p>II. Proceed with completing the required fields.            ** (Post registration is completed, follow the process as stated in point no. 1 above)</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 De-mat 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>3. 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 De-mat Account Number and PAN.</p> <p>III. System will authenticate user by sending OTP on registered Mobile &amp; Email as recorded in the De-mat 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 De-mat/ 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
<p>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</p>	<p>Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 022-23058542-43.</p>

**(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 KFin. The link for AGM will be available in Member's login where the EVENT and the name of the Company can be selected. Members 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(A)(I) 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 Saturday, June 29, 2024 (9.00 a.m. IST) to Monday, July 01, 2024 (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 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 do so by visiting <https://emeetings.kfintech.com> and uploading their video in 'Speaker Registration' tab, during Friday, June 28, 2024 (9.00 a.m. IST) to Sunday, June 30, 2024 (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 Thursday, June 27, 2024.



- f) A video guide for 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. Thursday, June 27, 2024 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 willing to vote should 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 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, unlock the votes cast through remote e-voting and at AGM and shall make, not later than two working days post conclusion of the meeting, a consolidated Scrutiniser's report for the total votes cast in favour or against, if any and submit the said report to the Chairman of the Company or a person authorized by him in writing, 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 displayed on the Notice Board of Company at its Registered Office and placed on the Company's website at [www.supremepetrochem.com](http://www.supremepetrochem.com).

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.

- ii. Process for registration of email id for obtaining Annual Report 2023-24 or other communications from Company and process for updation of bank account mandate for receipt of dividend are stated as hereunder:

Physical Holding	<p>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 Thursday, June 27, 2024 in relation to the AGM to enable KFin to send Annual Report 2023-24 electronically at your email address.</p> <p>Alternatively Annual Report 2023-24, consisted of AGM notice, can also be downloaded from Company website <a href="http://www.supremepetrochem.com">www.supremepetrochem.com</a>.</p> <p>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 Thursday, June 27, 2024, so that dividend, if approved by the Members, can be remitted to the members electronically.</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 your bank 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 Thursday, June 27, 2024 for obtaining Annual Report 2023-24 electronically or alternatively it can be downloaded from Company's website <a href="http://www.supremepetrochem.com">www.supremepetrochem.com</a> and also update bank account details in your Demat Account, for the purpose of timely remittance of dividend by Company, 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 (DIN: 00112461) and Shri S. J. Taparia (DIN:00112513) shall retire by rotation at the ensuing Annual General Meeting of the Company and being eligible offer themselves for reappointment.

The reappointment of Shri M. P. Taparia (DIN: 00112461) and Shri S. J. Taparia (DIN:00112513) as Directors of the Company having long, versatile, multifaceted business experience of around 66 and 56 years respectively in the field of managing business affairs including Operations, Manufacturing and Marketing of Plastics/Petrochemical products. Board recommends their reappointment as Non-Executive & Non-Independent Directors.

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 has attained the age of 75 years or more. Since both of them have attained the age of 75 years, special resolution has been placed before members for their consideration.

Shri M. P. Taparia (DIN: 00112461) and Shri S. J. Taparia (DIN:00112513) are concerned or interested in the resolutions relating to their own reappointment as Non-Executive & Non-Independent Director of the Company liable to retire by rotation and being relatives of each other. Shri B. L. Taparia, Non-Executive and Non-Independent Director, is the brother of Shri M. P. Taparia and uncle of Shri S. J. Taparia and hence he is concerned or interested in these Resolutions.

The Board recommends the reappointment of Shri M. P. Taparia (DIN: 00112461) and Shri S. J. Taparia (DIN:00112513) as Non-Executive, Non-Independent Directors of the Company liable to retire by rotation.

None of the other 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.

#### **ITEM NO. 5:**

The proposal to reappoint Shri N. Gopal as a Manager of the Company for a period from April 16, 2024 to March 31, 2026 in terms of Sections 196, 197, 203 of the Companies Act, 2013 and Schedule V thereto was considered by the Nomination and Remuneration Committee (NRC) of the Company.

The NRC, considering the technical qualification of Shri N. Gopal viz. M.Sc., B-Tech (in Chemical Engineering) from Madras University and DIC (Advanced Chemical Engineering) from Imperial College, London, enriched and wider experience of around 33 years exclusively in the business of Company across its entire operations including production, marketing, supply chain management, expansions, new project implementations,

operational achievements and the roles and responsibilities successfully discharged by him since his joining the Company in 1991, recommended to the Board for his reappointment as Manager of the Company for a period from April 16, 2024 to March 31, 2026, despite exceeding the age of 70 years, so that the Company may be benefitted with his long, multifarious, extensive and enriched experience in petrochemical industry segment, on following remuneration.

#### **REMUNERATION:**

(a) Not exceeding ₹ 450 lakhs per annum.

In case, accommodation is provided to Shri N. Gopal by the Company, the same shall be valued as per the Income Tax Rules.

In case the Company does not provide accommodation to Shri N. Gopal, he shall be entitled to House Rent Allowance. The value of the accommodation or the House Rent Allowance paid shall form a part of the remuneration stated above.

(b) The remuneration shall not exceed the limits specified in Schedule V to the Companies Act, 2013 (including any statutory modification or re-enactment thereof, for time being in force) or any amendment made thereto, without such approvals, if any, prescribed under the Companies Act, 2013 and the Rules made thereunder.

Shri N. Gopal shall also be eligible for the following perquisites which shall not be included in the computation of the ceiling on remuneration specified above.

- i) Company's contribution to Provident Fund as per rules of the Company.
- ii) Gratuity payable by the Company to the extent permitted by law.
- iii) Encashment of leave at the end of the tenure as per rules of the Company.

The Company will provide a car to Shri N. Gopal and shall reimburse expenses incurred by him for use of and maintenance of the car. The driver's salary shall also be reimbursed to Shri N. Gopal as per the rules of the Company.

The Company shall pay the bills for cellular and landline telephones used by Shri N. Gopal, for official purposes. Personal long distance calls on telephone shall be billed by the Company to Shri N. Gopal.

Shri N. Gopal shall be entitled to reimbursement of all actual expenses, including entertainment and travelling, incurred in the course of the Company's business. Shri N. Gopal shall be entitled to earned/privilege leave as per Rules of the Company.



**Statement of Information as required under Schedule V to the Companies Act, 2013:**

<b>I. General Information</b>					
1	Nature of Industry	:	Manufacture and Trading of Petrochemicals.		
2	Date of Commencement of Commercial Production	:	October 1, 1995.		
			(₹ in Lakhs)		
3	Financial Performance	:	<b>2021-2022</b>	<b>2022-2023</b>	<b>2023-2024</b>
	Sale of Products	:	5,02,206.00	5,27,760.00	5,23,649.00
	Profit before tax		88,782.00	66,689.00	46,822.00
	Net Profit		66,326.00	49,814.00	34,649.00
4	Foreign Investments or Collaborations, if any	:	There are no foreign investment or existing Foreign Collaborations in the Company.		
<b>II. Information about the Appointee</b>					
1.	Background Details	:	Shri N. Gopal is M.Sc., B-Tech (in Chemical Engineering) from Madras University and DIC (Advanced Chemical Engineering) from Imperial College, London. He has garnered extensive and hands-on experience of about 55 years in the field of Petrochemical industry and have earlier worked with renowned companies like ICI Petrochemicals Division, U.K., Indian Petrochemical Corporation Limited (IPCL) and Reliance Industries Limited (Reliance).		
2.	Past Remuneration and other benefits	:	₹ 340.82 Lakhs for the period 01/04/2023 to 31/03/2024 (including leave encashment at the end of tenure of appointment)		
3	Recognition or Award	:	-		
4	Job Profile and his suitability	:	<p>Shri N. Gopal shall have overall responsibility for the day to day operations of both the plants of the Company situated at Amdoshi, Maharashtra and Manali, Chennai, Tamil Nadu.</p> <p>He joined the Company in 1991 as Sr. Vice President (Projects &amp; Operations). He was instrumental in setting up the Company's Polystyrene plant from grass root level with a capacity of 66000 TPA which has since been expanded to 300000 MTA. He oversaw the implementation of expansion schemes of PS, EPS, XPS and SPC at its plant at Amdoshi, Maharashtra and at Manali, Tamil Nadu plants of the Company.</p> <p>Shri N. Gopal shall be responsible for setting of proposed new styrenics complex at Karnal, Haryana.</p>		
5	Remuneration Proposed	:	As mentioned hereinabove under "Remuneration" caption.		
6	Comparative remuneration profile with respect to industry, size of Company, profile of the position and person (in case of expatriates the relevant date would be w.r.t. the country of his origin)	:	The Company is the largest domestic manufacturer of styrenics products and has a major share in the domestic market. It is also the largest domestic producer of Polystyrene, Expandable Polystyrene and Extruded Polystyrene Insulation Board. It also has presence in Masterbatches and Compounds. It has customers across the globe. The proposed remuneration is comparable with other Companies of similar segment and size and industry standards etc.		
7	Pecuniary relationship directly or indirectly with the Company or relationship with the Managerial Personnel, if any	:	No other pecuniary relationship with the Company apart from remuneration drawn from the Company. He has no relationship with Directors and Key Managerial Personnel of Company.		
<b>III. Other information</b>					
1.	Reasons of loss or inadequate profits	:	N/A		
	Steps taken or proposed to be taken for improvement	:	N/A		
	Expected increase in productivity and profits in measurable terms	:	N/A		



<b>IV. Disclosures</b>
(i) All elements of remuneration package such as salary, benefits, bonus, stock options, pension etc. of all the Directors
(ii) Details of fixed component and performance linked incentives along with the performance criteria
(iii) Service contracts, notice period, severance fees
(iv) Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.
<b>Note :</b> The above disclosures are mentioned under the caption “Remuneration of Directors” of the “Corporate Governance”, Report annexed separately to the Financial Statement / Annual Report and forming integral part of Board Report.

The Board of Directors, considering the skill/knowledge of Shri N. Gopal and his suitability to the Company as well as the recommendation made by the NRC to the Board, recommends the resolution at Item No. 5 of the Notice with respect to reappointment of Shri N. Gopal as Manager of the Company for a further period from April 16, 2024 to March 31, 2026 in terms of Sections 196, 197, 203 of the Companies Act, 2013 and Schedule V thereto and seeks approval of the members for the same by way of special resolution, in view of the provisions of Section 196(3) of the Companies Act, 2013 and Part I of Schedule V thereto which requires approval of members through special resolution for reappointment/continuance of Shri N. Gopal as Manager since he has already exceeded the age of 70 years.

The Employment Agreement/contract with Shri N. Gopal will be available for inspection during 5th June, 2024 to 4th July, 2024 and can be inspected at the Secretarial Department of the Company at Solitaire Corporate Park, Building No. 11, 5th Floor, 167, Guru Hargovindji Marg, Andheri-Ghatkopar Link Road, Chakala, Andheri (East), Mumbai 400093 between 11.00 a.m. to 5.00 p.m. on any working day.

None of the Directors and Key Managerial Personnel of the Company and their relatives except Shri N. Gopal are in any way concerned or interested in the said resolution.

#### **ITEM NO. 6:**

Shri Rajeev M. Pandia (DIN: 00021730) was appointed as Independent Director of the Company for a consecutive term of five years w.e.f. April 26, 2019 to April 25, 2024 and was not liable to retire by rotation in terms of the provisions of Section 152(6) of Companies Act, 2013. The said appointment expired on April 25, 2024.

Considering the recommendation of NRC of the Company for reappointment of Shri Rajeev M. Pandia (Din: 00021730) as Independent Director of the Company for a second consecutive term of five years period (viz. from April 26, 2024 to April 25, 2029) and also on basis of his skills, excellent ratings of performance evaluation, extensive and enriched experience in diverse areas of petrochemical industry and suitability to the Company as well as fulfilling the criteria of his independence under Section 149(6) of Companies Act, 2013 read with Schedule IV thereto and Regulation 16(1) (b) of Listing Regulations, as per his disclosures submitted to the company, the Board in its meeting held on April 24, 2024 reappointed Shri Rajeev M. Pandia (DIN:00021730) as Additional Independent Director of the Company in terms of section 161 of the Companies Act,

2013 who holds office till ensuing Annual General Meeting of the Company. To keep his directorship continued in the Company for second term of 5 years, the approval of members is required through Special Resolution in terms of the provisions of Section 149(10) of the Companies Act, 2013, Regulation 25 (2A) and 17(1A) of Listing Regulations, since no listed company shall appoint a person or continue the directorship of any person as a Non-Executive Director who has attained the age of 75 years unless a Special Resolution is passed by the Company to that effect. Shri Rajeev M. Pandia (DIN:00021730) shall not be liable to retire by rotation.

The Company has received a notice in writing from a Member of the Company under section 160(1) of the Companies Act, 2013 proposing the candidature of Shri Rajeev M. Pandia (DIN: 00021730) for the office of the Director of the Company.

The terms and conditions of his appointment shall be open for inspection by the Members at the Registered Office, the scheduled venue of AGM of the Company, during normal business hours on any working day during 5th June, 2024 to 4th July, 2024.

In view of the above, the said resolution at Item No. 6 of the Notice is being recommended by the Board of Directors to the members of the Company for seeking approval thereto by way of Special Resolution.

None of the Directors and Key Managerial Personnel of the Company or their relatives except Shri Rajeev M. Pandia (DIN: 00021730) relating to his own appointment, may be deemed to be concerned or interested in the Resolution.

#### **ITEM NO. 7:**

Shri K. V. Mujumdar, vide special resolution passed by the members on July 01, 2021, was appointed as Whole Time Director of the Company designated as Director (Operations) for a period of 5 years w.e.f. September 19, 2020 to September 18, 2025 and his remuneration is proposed to be revised w.e.f. April 01, 2024 for the remaining tenure of his service as under:

#### **REMUNERATION**

- Not exceeding ₹ 200 Lakhs (Rupees Two Hundred Lakhs) per annum. The Nomination and Remuneration Committee (NRC) will evaluate the performance of Shri K.V. Mujumdar on an annual basis and recommend to Board his annual remuneration including increments etc. within the overall limits of ₹ 200 Lakhs (Rupees Two Hundred Lakhs) per annum as aforesaid subject to the applicable limit/provisions



enunciated under Section 197 of the Companies Act, 2013 and Schedule V thereto, as amended from time to time.

Following perquisites shall not be included in the computation of the ceiling on remuneration specified in point (a) above.

- (i) Company's contribution to Provident Fund, Superannuation Fund or Annuity Fund or allowances in this respect as per rules of the Company.
- (ii) Gratuity payable by the Company to the extent permitted by law.
- (iii) Encashment of leave at the end of the tenure as per the rules of the Company.

The Company will provide a car to Shri K. V. Mujumdar and shall reimburse expenses incurred by him for use of and maintenance of the car. The driver's salary shall also be reimbursed to Shri K. V. Mujumdar as per the rules of the Company.

The Company shall pay the bills for cellular and landline telephones used by Shri K. V. Mujumdar, for official purposes. Personal long-distance calls on the telephone shall be billed by the Company to Shri K. V. Mujumdar.

Shri K. V. Mujumdar shall be entitled to reimbursement of all actual expenses, including entertainment and travelling, incurred in the course of the Company's business. Shri K. V. Mujumdar shall be entitled to earned/privilege leave as per Rules of the Company.

**Statement of Information as required under Schedule V to the Companies Act, 2013:**

<b>I. General Information</b>					
1	Nature of Industry	:	Manufacturing and Trading of Petrochemicals.		
2	Date of Commencement of Commercial Production	:	October 1, 1995.		
			(₹ in Lakhs)		
3	Financial Performance	:	<b>2021-2022</b>	<b>2022-2023</b>	<b>2023-2024</b>
	Sale of Products	:	5,02,206.00	5,27,760.00	5,23,649.00
	Profit before tax	:	88,782.00	66,689.00	46,822.00
	Net Profit	:	66,326.00	49,814.00	34,649.00
4	Foreign Investments or Collaborations, if any	:	There are no foreign investment or existing Foreign Collaborations in the Company.		
<b>II. Information about the Appointee</b>					
1.	Background Details	:	Shri K. V. Mujumdar is a qualified Engineer and holds a Diploma in Business Management. He was earlier working as Vice President (Operations) of the Company and has been associated with the Company since 26/08/1992 and has extensive and wide-ranging experience of about 46 years. Prior to joining Supreme Petrochem Ltd (SPL), he worked for about 14 years in Hindustan Organic Chemicals Ltd (HOCL).		
2.	Past Remuneration and other benefits	:	Not exceeding ₹ 140 Lakhs per annum (excluding perquisite viz. Car, Driver, Company phone, retirement benefits and leave encashment at the end of the tenure of appointment as specified hereinabove).		
3	Recognition or Award	:	-		
4	Job Profile and his suitability	:	Shri K. V. Mujumdar has been associated with the entire development of SPL's manufacturing complex at Nagothane from the initial stages. Over the years in SPL, he has been managing various activities of the Nagothane complex including production, quality control, statutory compliances, human resources, public relations, industrial relations and administration etc. He also oversees the operations of the Chennai complex. Looking into his significant and outstanding contribution in the operational affairs w.r.t Nagothane and Chennai Plants of the Company, he was found to be a suitable person by the Board for the post of Whole Time Director of the Company designated as Director (Operations) for 5 years period w.e.f. September 19, 2020.		



5	Remuneration Proposed	:	Not exceeding ₹ 200 Lakhs per annum (excluding perquisite viz. Car, Driver, Company phone, retirement benefits and leave encashment at the end of the tenure of appointment being the same benefits as prevailing at present).
6	Comparative remuneration profile with respect to industry, size of Company, profile of the position and person (in case of expatriates the relevant date would be w.r.t. the country of his origin)	:	The Company is the largest domestic manufacturer of Polystyrene and has a major share in the domestic market. It is also the largest domestic producer of Expandable Polystyrene and has presence in Masterbatches & Compounds & Extruded Polystyrene Insulation Board markets as well. It has customers across the globe. The proposed remuneration is comparable with other Companies of similar segment and size and also taking into account the potentials of Shri K.V. Mujumdar and industry standards etc.
7	Pecuniary relationship directly or indirectly with the Company or relationship with the Manager or Key Managerial Personnel, if any	:	No other pecuniary relationship with the Company apart from said remuneration being drawn from the Company. He has no relationship with Directors, Manager and Key Managerial Personnel of the Company.
<b>III. Other information</b>			
1.	Reasons of loss or inadequate profits	:	N/A
	Steps taken or proposed to be taken for improvement	:	N/A
	Expected increase in productivity and profits in measurable terms	:	N/A
<b>IV. Disclosures</b>			
(i)	All elements of remuneration package such as salary, benefits, bonus, stock options, pension etc. of all the Directors		
(ii)	Details of fixed component and performance linked incentives along with the performance criteria		
(iii)	Service contracts, notice period, severance fees		
(iv)	Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.		
Note : The above disclosures are mentioned under the caption "Remuneration of Directors" of the "Corporate Governance", Report annexed separately to the Financial Statement / Annual Report forming integral part of the Board Report.			

The existing Employment Agreement executed on October 16, 2020 alongwith addendum thereto dated 24/04/2024 (for revision in remuneration) between the Company and Shri K.V. Mujumdar will be available for inspection during 5th June, 2024 to 4th July, 2024 at the Secretarial Department of the Company at Solitaire Corporate Park, Building No. 11, 5th Floor, 167, Guru Hargovindji Marg, Andheri-Ghatkopar Link Road, Chakala, Andheri (East), Mumbai 400093 between 11.00 a.m. to 5.00 p.m. on any working day.

Considering the enriched and wider experience of around 46 years of Shri. K.V. Mujumdar exclusively in the business of Company across its entire operations including production and marketing, supply chain management, ongoing expansions schemes, new project implementations, substantial increase in the operations of the Company, his overall achievement/performance, industry standards etc. and the roles and responsibilities successfully discharged by him since joining the Company in 1992, it is thought prudent to revise the remuneration of Shri K.V. Mujumdar, despite exceeding the age of 70 years, so that the Company may be benefitted with his long, multifarious, extensive and enriched experience in petrochemical industry segment.

The Board, considering his skills, knowledge, suitability and recommendation made by the NRC to the Company, recommends the resolution at Item No. 7 of the Notice with respect to revision in remuneration of Shri K.V. Mujumdar, Whole Time Director of the Company for his remaining service period viz. from April 1, 2024 to September 18, 2025 and seeks approval of the members for the same by way of special resolution.

None of the Directors and Key Managerial Personnel of the Company and their relatives except Shri K.V. Mujumdar are in any way concerned or interested in the said resolution.

**ITEM NO. 8:**

The Board of Directors, considering the recommendation of Audit Committee, at their meeting held on April 23, 2024 approved the reappointment 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 2024-25 for an annual remuneration of ₹ 4,85,000/- (Rupees four lakhs eighty-five 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 for Item No. 8 of the AGM Notice viz. 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 or their relatives may be deemed to be concerned or interested in the said resolution in any manner.

For and on behalf of the Board

**M. P. Taparia**  
Chairperson  
(DIN 00112461)

**Registered Office:**

Supreme Petrochem Ltd  
CIN L23200MH1989PLC054633  
Solitaire Corporate Park,  
Building No. 11, 5th Floor,  
167, Guru Hargovindji Marg,  
Andheri-Ghatkopar Link Road,  
Chakala, Andheri (East),  
Mumbai - 400 093  
Tel : +91 22 67091900  
email : investorhelpline@spl.co.in  
website: www.supremepetrochem.com

Date: April 24, 2024

Place: Mumbai

**BRIEF PARTICULARS/PROFILE OF THE DIRECTORS SEEKING REAPPOINTMENT PURSUANT TO THE PROVISIONS OF REGULATION 36(3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND CLAUSE 1.2.5 OF SECRETARIAL STANDARDS ON GENERAL MEETINGS (SS-2) ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA:****A. NON-EXECUTIVE, NON-INDEPENDENT PROMOTER DIRECTOR:-**

<b>Name of the Director</b>	<b>M. P. Taparia</b>
DIN	00112461
Age	86 years (DOB 22.10.1937)
Nationality	Indian
Qualification	B.A.
Experience/Expertise	He is the Managing Director of The Supreme Industries Ltd. He commenced his business carrier over 66 years ago. He has extensive experience in Business Management, Marketing, Operations, key business strategies and is also actively involved in various industry forums.
Date of First Appointment as Director of the Company	December 14, 1989
Directorships in other Listed /Public/Private Limited Companies (Other than Supreme Petrochem Limited)	The Supreme Industries Limited Supreme Capital Management Limited Jovial Investment & Trading Co Pvt Ltd
Membership/Chairmanship in other Committees of the Board	The Supreme Industries Limited Stakeholders Relationship Committee – Member Corporate Social Responsibility Committee – Member Risk Management Committee – Chairperson
Resignation from listed entities in the last three financial years	Kabra Extrusion Technik Limited – 30.09.2021 West Coast Papers Mills Limited – 02.02.2021
Disassociation from listed entities in the last three financial years due to end of tenure of Directorship	NIL
Shareholding in the Company	75466 equity shares
Shareholding as a Beneficial Owner	NIL
Relationships between the Directors inter-se, if any, or with the Manager(s)/KMPs of the Company	Shri M. P. Taparia is brother of Shri B. L. Taparia and uncle of Shri S. J. Taparia – Directors of the Company Apart from above he has no relation with any Manager(s)/KMPs of the Company.
Number of Board meetings attended during the F.Y. 2023-24	05
Remuneration/Terms & Conditions of Reappointment	Apart from paying sitting fees amounting to ₹ 6.50 lakhs during F.Y.2023-24 for attending meetings of the Company, no other payment was made to Shri M. P. Taparia. He is now proposed to be reappointed as Non-Executive Non-Independent Promoter Director and till his next retirement by rotation, he shall be paid sitting fees only for attending the meetings of the Company and payment of no other perquisites/facilities is permitted to him.

**B. NON-EXECUTIVE, NON-INDEPENDENT DIRECTOR:-**

<b>Name of the Director</b>	<b>S. J. Taparia</b>
DIN	000112513
Age	78 (DOB 07.08.1945)
Nationality	Indian
Qualification	B.E. (Mechanical)
Experience / Expertise	He is the Executive Director of The Supreme Industries Limited. He commenced his business carrier over 56 years ago. He has extensive experience in technical, operational, marketing and setting up of new projects of polymer processing industry.



Date of First Appointment as Director of the Company	November 22, 1993
Directorships in other Listed/Public/Private Limited Companies (Other than Supreme Petrochem Limited)	The Supreme Industries Limited Supreme Capital Management Limited Boon Investment and Trading Company Private Limited
Membership/Chairmanship in other Committees of the Board	NIL
Resignation from listed entities in the last three financial years	NIL
Disassociation from listed entities in the last three financial years due to end of tenure of Directorship	NIL
Shareholding in the Company	75466 equity shares
Shareholding as a Beneficial Owner	NIL
Relationships between the Directors inter-se, if any, or with the Manager(s)/KMPs of the Company	Shri S.J Taparia is nephew of Shri M. P. Taparia and Shri B. L. Taparia – Directors of the Company Apart from above, he has no relation with any Manager(s)/KMPs of the Company
Number of Board meetings attended during the F.Y. 2023-24	05
Remuneration/Terms & Conditions of Reappointment	Apart from paying sitting fees amounting to ₹ 8.50 lakhs during F.Y.2023-24 for attending meetings of the Company, no other payment was made to Shri S.J. Taparia. He is proposed to be reappointed as Non-Executive Non-Independent Director and till his next retirement by rotation, he shall be paid sitting fees only for attending the meetings of the Company and payment of no other perquisites/ facilities is permitted to him.

**C. INDEPENDENT DIRECTOR:-**

**Name: Rajeev M. Pandia (DIN: 00021730)**

DIN	00021730
Age	74 years (DOB December 17, 1949)
Nationality	Indian
Qualification	Graduate in Chemical Engineering from Indian Institute of Technology (IIT), Bombay and holds a Master's degree from Stanford University, California, USA.
Experience/Expertise	He headed Herdillia Chemicals Limited (later Schenectady Herdillia Limited and SI Group – India Limited) since 1992 and was its Vice Chairman and Managing Director upto December 2008. He is a Fellow of Indian National Academy of Engineering and of Indian Institute of Chemical Engineers. In 2009, Shri Rajeev M. Pandia received the ICC Lifetime Achievement Award from Indian Chemical Council for his contribution to the Indian chemical industry. He is equipped with multifarious experience and skills in Petrochemicals, Business Management, and Industrial affairs etc.
Skill and capabilities required for the role and the manner in which such requirements are being met out	Shri Rajeev M. Pandia possesses versatile experience of chemical industry and business management of around 43 years and has effectively and efficiently discharged his duties as an Independent Director of the Company. His services to the Company as an Independent Director during his first term has immensely benefitted the Company particularly in the areas of project assessment, corporate governance and business strategies.
Date of First Appointment as Director of the Company	April 26, 2019



Directorships in other Listed/Public/Private Limited Companies (Other than Supreme Petrochem Limited)	The Supreme Industries Ltd GRP Ltd Thirumalai Chemicals Ltd Excel Industries Ltd Ultramarine & Pigments Ltd
Membership/Chairmanship in other Committees of the Board	<p><b>Excel Industries Limited</b> Risk Management Committee – Chairman Audit Committee - Member CSR Committee – Member</p> <p><b>Thirumala Chemicals Limited</b> Business Review Committee – Chairman Risk Management Committee – Chairman</p> <p><b>The Supreme Industries Limited</b> Audit Committee – Chairman Stakeholders Relationship Committee – Chairman Risk Management Committee – Member Nomination and Remuneration Committee – Member</p> <p><b>Ultramarine &amp; Pigments Ltd</b> Nomination and Remuneration Committee – Chairman Business Review Committee – Chairman</p> <p><b>GRP Limited</b> Audit Committee – Chairman CSR Committee – Member Stakeholders Relationship Committee – Member Nomination &amp; Remuneration Committee – Chairman</p>
Resignation from listed entities in the last three financial years	NIL
Disassociation from listed entities in the last three financial years due to end of tenure of Directorship	Deepak Phenolics Limited – 20.06.2022
Shareholding in the Company	NIL
Shareholding as a Beneficial Owner	NIL
Relationships between the Directors inter-se, if any, or with the Manager(s)/KMPs of the Company	NIL
Number of Board meetings attended during the F.Y. 2023-24	05
Remuneration/Terms & Conditions of Reappointment	Apart from paying sitting fees amounting to ₹ 8.50 lakhs during F. Y. 2023-24 for attending meetings of the Company no other payment was made to Shri Rajeev M. Pandia. He is proposed to be reappointed as Non-Executive Independent Director for a period of 5 years w.e.f. 26.04.2024 and shall be paid sitting fees only for attending meetings of the Company and payment of no other perquisites/facilities is permitted to him.
Summary of performance evaluation taken place for the year 2023	<p>Shri Rajeev M. Pandia has been rated exceedingly well by the Board of Directors of the Company and has been accredited with the average rating of 99% and above in respect of following inter-alia other factors:-</p> <p>(i) Understanding of Company affairs</p> <p>(ii) Attending meetings of the Company</p> <p>(iii) Understanding of financial statement</p> <p>(iv) Appropriately raising questions in Board Meetings and settling the matters</p> <p>(v) Effective participation in the discussions</p> <p>(vi) Awareness about the developments relating to corporate governance</p>



**BRIEF PARTICULARS OF SHRI K.V. MUJUMDAR PURSUANT TO THE PROVISIONS OF CLAUSE 1.2.5 OF SECRETARIAL STANDARDS ON GENERAL MEETINGS (SS-2) ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA:**

**D. WHOLE TIME DIRECTOR:-**

**Name: K.V. Mujumdar (DIN: 08866096)**

DIN	08866096
Age	70 years (DOB 23.08.1953)
Nationality	Indian
Qualification	B. Sc., BE, DBM
Experience/Expertise	<p>Shri K. V. Mujumdar has extensive and wide ranging experience of around 46 years. He has been associated with the entire development of SPL's manufacturing complex at Amdoshi Nagothane since joining the Company on August 26, 1992. Over the years in SPL, he has been managing various activities of the Nagothane complex including production, quality control, statutory compliances, human resources, public relations, industrial relations and administration etc. He also oversees the operations of the Chennai complex. Prior to joining Supreme Petrochem Ltd (SPL), he worked for about 14 years in Hindustan Organic Chemicals Ltd (HOCL)</p> <p>Looking into his significant and outstanding contribution in the operational affairs for Nagothane and Chennai Plants of the Company, he was found a suitable person by the Board for being appointed as Whole Time Director of the Company designated as Director (Operations) for 5 years period since September 19, 2020.</p>
Skill and capabilities required for the role and the manner in which such requirements are being met out	<p>Shri K.V. Mujumdar being a science graduate, qualified engineer and a Diploma Holder in Business Management is found suitable to play his role effectively at both the plants of the Company situated at Amdoshi, Maharashtra and Manali, Chennai Tamil Nadu in terms of looking into its entire operations including manufacturing/production, quality control, statutory compliances, human resources, public relations, industrial relations and administration etc.</p>
Date of First Appointment as Director of the Company	September 19, 2020
Directorships in other Listed/Public/Private Limited Companies (Other than Supreme Petrochem Limited)	NIL
Membership/Chairmanship in other Committees of the Board	NIL
Resignation from listed entities in the last three financial years	NIL
Shareholding in the Company	6000 equity shares
Shareholding as a Beneficial Owner	NIL
Relationships between the Directors inter-se, if any, or with the Manager(s)/KMPs of the Company	NIL
Number of Board meetings attended during the F.Y. 2023-24	05
Remuneration/Terms & Conditions of Reappointment	Not exceeding ₹ 200 Lakhs per annum (excluding perquisite viz. Car, Driver, Company phone, retirement benefits and leave encashment at the end of the tenure of appointment being the same facilities as prevailing at present).

**Information at a glance:**

<b>Particulars</b>	<b>Details</b>
Time & date of AGM	4.00 p.m. IST, Thursday, July 04, 2024
Mode	Video conference ("VC")/ other audio-visual means ("OVAM")
Webcast and transcript	<a href="http://www.supremepetrochem.com/investorrelations">www.supremepetrochem.com/investorrelations</a>
Closure of Register of Members and Share Transfer Books for the Company for the purpose of AGM	Friday, June 28, 2024 to Thursday, July 04, 2024 (Both days inclusive)
Final dividend record date	Thursday, June 27, 2024
Final dividend payment date	Wednesday, July 24, 2024
Last date for providing information related to tax relief on final dividend 2023-24	Thursday, June 27, 2024
Last date for providing documents for availing benefit of non-deduction of TDS on dividend	Einward.ris@kfintech.com, upto 5.00 p.m. (IST) on Thursday, June 27, 2024
Last date for providing documents by NRI Shareholders for availing beneficial rates of tax on dividend	Einward.ris@kfintech.com, upto 5.00 p.m. (IST) on Thursday, June 27, 2024
Cut-off date for e-voting	Thursday, June 27, 2024
E-voting start time and date	Sunday, June 30, 2024 - 9.00 a.m. (IST)
E-voting end time and date	Wednesday, July 03, 2024 - 5.00 p.m. (IST)
Speaker Registration	Saturday, June 29, 2024 - 9.00 a.m. (IST) to Monday, July 01, 2024 - 5.00 p.a. (IST)
E-voting website of K-Fin	<a href="https://evoting.kfintech.com">https://evoting.kfintech.com</a>
Name & address and contact details of e-voting service provider	KFin Technologies Limited Selenium Tower B, 6th Floor, Plot No. 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, HYDERABAD - 500 032, TELANGANA 1800 309 4001 (toll free).
Name and address and contact details of Registrar and Transfer Agent (RTA)	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 Toll Free No.:1800-3454-001 Fax No.: 040-23001153 E-mail: einward.ris@kfintech.com Website: <a href="http://www.kfintech.com">www.kfintech.com</a> Contact Person : Shri P. Nageswara Rao



## BOARD'S REPORT 2023-2024

**Dear Member(s),**

The Board of Directors of the Company are pleased to present herewith the Thirty Fifth Annual Report ("Report") of SUPREME PETROCHEM LTD ("the Company") along with its Audited Financial Statements for the Financial Year (F.Y.) ended March 31, 2024.

### 1. FINANCIAL HIGHLIGHTS

(₹ in lakhs)

Particulars	Year Ended 31.03.2024	Year Ended 31.03.2023
Total Revenue (net of GST)	<b>532148.75</b>	534614.06
<b>Profit Before Tax (PBT)</b>	<b>46821.63</b>	66688.71
Less - Tax Expenses	<b>12172.79</b>	16874.92
<b>Profit After Tax (PAT)</b>	<b>34648.84</b>	49813.79
Interim/Final Dividend on equity shares (including corporate dividend tax) paid during the year	<b>16923.72</b>	16923.72
Transfer to General Reserves	<b>17500.00</b>	25000.00
<b>Less: OCI Impact</b>	<b>200.36</b>	43.58
<b>Retained Earnings</b>	<b>34009.23</b>	33984.47

### 2. DIVIDEND

During the year under review, Directors of the Company on October 27, 2023, declared an interim dividend of ₹ 2/- (Rupees Two Only) per share for F.Y. 2023-24, involving an outflow of ₹ 3760.83 Lakhs.

Directors have further recommended a final dividend of ₹ 7/- (Rupees Seven Only) per share for F.Y. 2023-24 leading to an outflow of ₹ 13162.89 Lakhs subject to approval of members at the ensuing Annual General Meeting of the Company resulting in a payout of 37.99% of the net profit of the Company for F.Y. 2023-24.

Pursuant to the provisions of Regulation 43A (1) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), Directors of the Company formulated a Dividend Distribution Policy which is available on the website of the Company at URL: <https://supremepetrochem.com/download/DividenedDistributionPolicy.pdf>.

Company has transferred the unpaid or unclaimed dividend amounts to the Unclaimed Dividend Account of the respective financial years in terms of Section 124 of Companies Act 2013 ("Act") as applicable.

### 3. REVIEW OF OPERATIONS

Company's revenue stood at ₹ 5321.49 Crores (net of GST) for the year 2023-24 as compared to ₹ 5346.14 Crores (net

of GST) in the previous year. Company during the year earned a net profit of ₹ 346.49 Crores against ₹ 498.14 Crores in the previous year.

The total sales volume of manufactured products grew by 13.75% during the year. The total revenue was lower during the year under review over the previous year despite increase in volume due to lower prices of Styrene Monomer, the main raw material. As per global publications the annual average price of Styrene Monomer during the year was lower by over 11% as compared to 2022-23. The global margins were under pressure due to weaker than expected growth in China and Europe. Export volumes and margins were also impacted in second half of the year due to red sea crisis.

### 4. MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis Report as required in terms of Listing Regulations is annexed separately forming integral part of the Annual Report.

### 5. CORPORATE GOVERNANCE REPORT

Corporate Governance Report of the Company for the year under review are annexed to the Annual Report separately forming its integral part. The certificates issued by M/s. Parikh & Associates, practicing Company Secretaries, pertaining to compliances 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 continuing as Director of the Company are annexed to Corporate Governance Report vide Annexure - A & B respectively.

### 6. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Pursuant to Regulation 34(2)(f) of Listing Regulations, Business Responsibility and Sustainability Report (BRSR) of the Company for the year under review regarding initiatives taken by Company in terms of environment, social and governance perspectives is annexed separately forming integral part of the Annual Report.

### 7. CORPORATE SOCIAL RESPONSIBILITY

The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company, CSR activities undertaken during the year, in the format prescribed under Companies (CSR Policy) Rules, 2014, are set out in Annexure-4 of this report. The CSR Policy is available on the Company's website at URL: <https://supremepetrochem.com/pdf/Corporate-Social-Responsibility-Policy.pdf>.

The Company, during F.Y. 2023-24, was required to spend an amount of ₹1422.32 Lakhs towards its CSR obligations. An amount of ₹ 956.51 Lakhs was spent during F.Y. 2023-24 on various CSR projects/activities and balance unspent amount of ₹ 473.34 Lakhs in respect of ongoing projects, have been deposited in a separate bank



account for spending on the respective projects in next 3 years. With this bank deposit, total CSR spending of the Company stands at ₹ 1429.85 Lakhs during F. Y. 2023-24 as against the obligatory amount of ₹1 422.32 Lakhs. Therefore, the excess spent amount ₹ 7.53 Lakhs shall be set off during F.Y. 2024-25.

The amount required to be spent by Company for CSR activities during F.Y. 2024-25, as per Section 135 of Companies Act, 2013, amounts to around ₹ 1291.05 Lakhs.

## **8. CHANGE IN DIRECTORS AND KEY MANAGERIAL PERSONNEL**

### **A) (i) Retirement 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 (AGM) of the Company and being eligible, have offered themselves for reappointment as Non-Executive and Non-Independent Directors of the Company. The Board recommends for their re-appointment.

### **(ii) Reappointment of Independent Director**

Shri Rajeev M. Pandia (DIN : 00021730), on recommendation of Nomination and Remuneration Committee (NRC), has been reappointed by the Board of Directors, as an Additional Independent Director of the Company for second term viz. for a period of five years w.e.f. April 26, 2024 subject to the approval of members at the ensuing AGM of the Company, in terms of the applicable provisions of the Act and Listing Regulations. Shri Rajeev M. Pandia is a chemical engineer from IIT (Bombay) with Masters from Stanford University, USA and has experience of around 43 years in the chemical sector industries. Brief particulars/ profile of Shri Rajeev M. Pandia is annexed to the AGM notice forming part of the Annual Report. The Board recommends for his reappointment.

### **(iii) Key Managerial Personnel**

Shri N. Gopal, whose term as Manager of the Company ended on March 31, 2024, has been reappointed by the Board of Directors on recommendation of NRC, for further period from April 16, 2024 to March 31, 2026, on recommendation of NRC of Company subject to approval of Members. The Board recommends for his reappointment.

## **B) EVALUATION OF BOARD AND ITS COMMITTEES**

Company has a well-defined system/criterion for evaluation of performance of the Board and its Committees, Independent Director(s), Non-

Independent Director(s) and Chairperson of the Company, as formulated by its NRC.

Pursuant to the provisions of Section 178(2) of Companies Act, 2013 and Regulation 17(10) of Listing Regulations, 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 M. Pandia individually and also of working of all the Committees of the Board and found the performance of the Independent Directors and the Committees 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 Listing Regulations and the Directors of the Company do not bear any debarment / disqualification with respect to their continuance in the Directorship of the Company considering their disclosures made to the Company. The Director(s) being evaluated did not participate in the evaluation process.

Further in terms of the aforesaid Provisions of Companies Act, 2013 and Regulation 25(4) of Listing Regulations, 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 highly contented to note that the overall affairs of the Company are being conducted efficiently and in a well organised manner. They also appreciated the Board Chairperson Shri M. P. Taparia for his outstanding skills in dealing with and formulating key business strategies, unparalleled vision for growth and managing the operations of the Company adroitly while maintaining well the values, ethos, principles and standards of Corporate Governance in the Company.

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

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.

## **C) REMUNERATION POLICY**

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

**D) FAMILIARISATION PROGRAMME OF THE INDEPENDENT DIRECTORS**

Pursuant to the provisions of Regulation 25(7) of Listing Regulations, the details of the Familiarization Programmes conducted for Independent Directors during the year under review is placed on the website of the Company at [www.supremepetrochem.com](http://www.supremepetrochem.com).

**E) DECLARATION FROM INDEPENDENT DIRECTORS**

Pursuant to the provisions of Section 149(7) of the Act and 25(8) of Listing Regulations, the Independent Directors of the Company have submitted their declarations that each of them meets the criteria of independence in terms of Section 149(6) of the Companies Act, 2013 and Rules framed thereunder and Regulation 16(1)(b) of Listing Regulations. 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 effectively.

**9. DIRECTORS' RESPONSIBILITY STATEMENT**

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, Audits conducted by the Internal Auditors/ Statutory Auditors/Cost Auditors and Secretarial Auditors etc. including audit of internal controls over financial reporting by the Statutory Auditors and the reviews conducted by the Management and the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate, effective and duly operating during F.Y. 2023-24.

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

- (a) in the preparation of the annual accounts for the F.Y. ended March 31, 2024, 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 for the F.Y. ended March 31, 2024 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. 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 second 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. 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 and other details are 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 F.Y. 2023-24 are stated as followings :

- (i) The ratio of the remuneration of Whole Time Director to the median remuneration of the employees of the Company.

Name of the Executive Director/Whole Time Director	Remuneration Ratio
Shri K.V. Mujumdar	21:1

- (ii) The percentage increase in remuneration of Manager, CFO, Whole Time Director and Company Secretary:

Designation	% Increase in the remuneration 2023-24
Manager	8.42
Chief Financial Officer (CFO)	8.55
Whole Time Director	7.40
Company Secretary	9.87



- (iii) The percentage increase in the median remuneration of employees – 8.31%.
- (iv) The number of permanent employees on the rolls of Company as on 31.03.2024 – 420.
- (v) The Key parameters for any variable component of remuneration availed by the Whole Time Director is dependent on performance of Company and respective employees.
- (vi) The average percentage increase in the salaries of employees other than the Managerial Personnel was 9.94% as compared to the average increase of 8.14% in the Managerial personnel remuneration.
- (vii) The Company affirms that the said remuneration is as per the Remuneration Policy of the Company.

**11. HEALTH, SAFETY & ENVIRONMENT (HSE)**

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

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

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

HSE Performance Index for the period under review stood to be in "Excellent" Range.

SPL Amdoshi – Maharashtra Plant has completed 8568 accident-free days as on March 31, 2024, which amounts to 3.9 million man-hours of accident-free operations.

**12. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, CAPITAL INVESTMENT ON ENERGY CONSERVATION EQUIPMENTS, FOREIGN EXCHANGE EARNINGS AND OUTGO**

Information(s) required pursuant to the provisions of Section 134(3)(m) of the Companies Act, 2013, read with Rule 8(3) 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 203390 KWH. This is in addition to the savings achieved during the previous year.

The energy conservation programme mainly comprised of replacement of conventional light fittings

of plant with LED light fittings and existing induction motors with energy efficient induction motors.

**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 capital Investment on energy conservation items/ equipments during F.Y. 2023-24 amounted to ₹ 26.96 Lakhs.

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

(₹ in Lakhs)

Foreign exchange earnings and outgo (Actuals)		F.Y. 2023-2024
a.	Inflow in Foreign Currency	47,646.68
b.	Outflow in Foreign Currency	3,83,333.60

**13. 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 ₹ 63.72 Lakhs during the year under review to the IEPF Account. The aggregate amount transferred to the fund since January 2002 stands at ₹ 630.78 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. In view of above provisions, Company transferred 168990 equity shares belonging to 666 shareholders during the year to the IEPF Account.

The unclaimed dividends on equity shares paid in the year 2017 will be due for transfer to IEPF in the year 2024. 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 full details of unclaimed dividends in the year 2017 will be uploaded on the website of the Company at URL: <https://supremepetrochem.com/download/sps-dividend-unpaid-register-for-the-year-final-2016-17.pdf>. Members are requested to complete requisite formalities for claiming their unpaid dividend(s), 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.



## 14. AUDIT

### Statutory Auditors

M/s. Kalyaniwalla & Mistry LLP, (Firm's Registration No. 104607W/W100166) were appointed as the Statutory Auditors of the Company for a tenure of 5 years commencing from conclusion of the 34th AGM of the Company until the conclusion of the 39th AGM of the Company to be held in the year 2028.

During the year under review, their Audit Report does not contain any qualification, reservation, adverse remark or disclaimer and no fraud was noticed by the Auditors of the Company during F.Y. 2023-24 which is reportable under Section 143(12) of the Companies Act, 2013.

### Cost Auditors

In terms of Section 148 of the Act, the audit of Company's cost records needs to be conducted by a Cost Accountant. The cost records of the Company are duly prepared and maintained as per Section 148(1) of the Act.

The Board of Directors of the Company, on the recommendation of the Audit Committee, have approved the appointment of M/s. Kishore Bhatia & Associates, a firm of Cost Accountants in Practice (Registration No.00294) as the Cost Auditors of the Company to conduct audit of its cost records for the relevant products prescribed under the Companies (Cost Records and Audit) Rules, 2014 for the year ending March 31, 2025. M/s. Kishore Bhatia & Associates have, under first proviso to Section 139(1) of the Act and the Rules framed thereunder, furnished a certificate of their eligibility and consent for said appointment.

The Board, on recommendation of the Audit Committee, have approved the remuneration payable to the Cost Auditors, subject to ratification of their remuneration by the Members at the forthcoming AGM. The resolution approving the above proposal is being placed for approval of the Members in the AGM.

### Secretarial Auditors

Pursuant to the provisions of Section 204 of the Act and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of Listing Regulations, the Board of Directors appointed M/s Parikh & Associates, (Registration No. P1988MH009800), a firm of Practising Company Secretaries to conduct Secretarial Audit of the Company for the year ended March 31, 2024. The Secretarial Audit Report is annexed to this report vide Annexure – 2 forming integral part thereof. The said Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer.

## 15. RELATED PARTY TRANSACTIONS

Transaction(s) with related parties during the year under review were in compliance with the provisions of

Regulation 23(1) of Listing Regulations and Section 188 of the Act. 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 (RPTs).

Information with respect to RPTs taken place during F.Y. 2023-24 is annexed to the Board Report in Form AOC-2, vide Annexure 3, forming integral part of this report.

Pursuant to the requirements of the Act and the Listing Regulations, the Company has formulated a policy on RPTs and is available on Company's website at URL: <https://supremepetrochem.com/download/policy-on-materiality-of-related-party-transaction-and-on-dealing-with-related-party-transaction.pdf>.

## 16. RISK MANAGEMENT

In terms of Regulation 21 of Listing Regulations, the Company has constituted a Risk Management Committee to look into the probable risk(s), related to the affairs of the Company and to frame, implement and monitor the risk management plans imperative thereto and review the same to ensure its effectiveness. Risk Management Committee met two times during the year to review the risk associated with the operations of the Company.

Each risk factor is monitored periodically by the Management and any risk-associated event arising from these factors which are likely to impact the operations of the Company significantly are reported to the Risk Management Committee and the Board. The risk management framework is aimed at efficiently mitigating the Company's various business and operational risk through strategic actions.

During the year under review, Management has not come across any elements of risk which can threaten its existence or disrupt/impact business operations substantially.

## 17. COMMITTEES OF THE BOARD

The Committees of the Board focus on certain specific areas and make informed decisions in line with the delegated authority. The following Committees constituted by the Board function according to their respective roles and defined scope:

- Audit Committee
- Stakeholders' Relationship Committee
- Nomination and Remuneration Committee
- Corporate Social Responsibility Committee
- Risk Management Committee
- Project Committee
- Finance Committee
- Independent Directors' Committee





Details of composition, terms of reference and number of meetings held for respective committees are given in the Report on Corporate Governance annexed separately to the Annual Report forming its integral part. Further, during the year under review, recommendations, if any, made by the aforesaid committees have been accepted by the Board.

### 18. MEETING OF THE BOARD

The number of meetings of the Board and its various committees including their composition are set out in the Corporate Governance Report which forms integral part of this report. The intervening gap between the meetings was within the period prescribed under provisions of the Act and Listing Regulations.

### 19. INTERNAL FINANCIAL CONTROL

Company has adequate internal financial control system in place commensurating with its size, scale, complexity and the nature of business with an objective to ensure that its financial and operational informations are duly recorded, authorised and reported apart from protecting its assets against any major misuse or loss. The Company's Auditors conduct regular checks on the adequacy of the internal financial controls and has not come out with any material or serious observation(s) for inefficiency or inadequacy of such controls. 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 owner's in their respective areas, thereby strengthening the financial controls.

### 20. SECRETARIAL STANDARDS

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

### 21. CREDIT RATING

CRISIL Ratings Ltd has reaffirmed Long-Term rating at CRISIL AA-/Stable and Short-Term rating 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-/Stable/IND A1+ with Stable Outlook and Short-Term rating at IND AA-/Stable/IND A1+ with Stable Outlook for Company's Fund and Non-Fund based Working Capital Facilities from Banks.

### 22. SHARE CAPITAL

The Company's existing paid-up share capital is ₹ 37,60,82,684/- (Rupees Thirty Seven Crores Sixty Lakhs

Eighty Two Thousand Six Hundred and Eighty Four) divided into 18,80,41,342 (Eighteen Crores Eighty Lakhs Forty One Thousand Three Hundred Forty Two) fully paid-up equity shares of ₹ 2/- (two) each.

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

The Company does not have any subsidiary / joint venture / associate entity as at the end of March 31, 2024.

### 24. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT

As per section 186 of the Act, the details of loan, guarantees or investments made during the F.Y. 2023-24 are given below:-

(₹ in Lakhs)

Name of the Company	Nature of Transaction	Loans/ Guarantees	Investment
Tata Power Renewable Energy Ltd (TPREL)	Equity Investment - A Power Delivery Agreement (PDA) for supply of solar power upto 12.5 MW (i.e. 17.95 MWs by SPV) was executed by Company with TP Saturn Limited, a Special Purpose Vehicle (SPV) formed by Tata Power Renewable Energy Ltd. (TPREL), a captive project for supplying solar power to the Company's plant at Amdoshi, Dist. Raigad, Maharashtra.	N.A.	1.30

### 25. VIGIL MECHANISM

Pursuant to Section 177(9) of the Act, Company has formulated a Whistle Blower/Vigil Mechanism Policy and has also established effective mechanism thereto for the 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.

The policy of vigil mechanism is available on the Company's website at URL: <https://supremepetrochem.com/download/vigil-mechanism-whistle-blower-policy.pdf>.

### 26. 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) (UPSIs) of the Company

including the designated 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 at URL: <https://supremepetrochem.com/download/Code-of-Internal-Procedure-and-Conduct-for-Regulating-Monitoring-and-Reporting-by-the-Insiders.pdf>.

With a view to protect the confidentiality of UPSIs of the Company in terms of SEBI (PIT) Regulations, 2015, Company has put in place requisite Structured Digital Database (SDD) system for the Designated Persons (DPs), intermediaries and fiduciaries who handle UPSIs of the Company.

## **27. PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE**

The Company has zero tolerance for sexual harassment at workplace and has formulated a Policy thereto in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH) and Rules framed thereunder.

Company has formed an Internal Committee (IC) 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 IC for woman employees of the Company. During FY 2023-24, the Company received one complaint on sexual harassment and the same has been suitably closed in accordance with the POSH Provisions as applicable and Company's processes. No complaints were pending at the end of F.Y. 2023-24.

## **28. 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, the Annual Return for the F.Y. 2023-24 is uploaded on the website of the Company and the same is available at [www.supremepetrochem.com](http://www.supremepetrochem.com).

## **29. ACCREDITATIONS**

Company has following accreditations:

1. ISO 9001:2015 (Quality Management System), ISO 14001:2015 (Environment Management System) and ISO 45001:2018 (Occupational Health and Safety Management System) certified from Bureau Veritas are valid up to 09.04.2027.
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 31.03.2028.

## **30. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION**

There are no material changes and commitments affecting the financial position of the Company subsequent to the close of the FY 2023-24 till the date of this Report.

## **31. GENERAL DISCLOSURES**

- (A) No disclosure or reporting is required for the following activities since there were no transactions with respect thereto 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 as on 31.03.2024.

### **(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.

## **32. ACKNOWLEDGEMENT**

The Directors wish to convey their appreciation to all the employees of the Company for their remarkable services and contributions made towards the overall operations of the Company. The Directors would also like to thank all stakeholders including members, customers, suppliers, bankers, government agencies and all other business associates for their invaluable support and cooperation to the Company and their confidence reposed in its management.

For and on behalf of the Board

Place: Mumbai  
Date: April 24, 2024

**M. P. Taparia**  
Chairperson  
(DIN 00112461)



**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 for directorship is free from the disqualifications as per the criteria 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 Listing Regulations or any other Rules / Regulations as may be applicable to the Company from time to time.

**REMUNERATION FOR DIRECTORS (SITTING FEES), KEY MANAGERIAL PERSONNEL, SENIOR MANAGEMENT PERSONNEL AND OTHER EMPLOYEES:**

- (1) Remuneration to Directors being paid by Company in form of sitting fees for attending each meeting is stated as hereunder:

	(In ₹ )
Board Meeting	1,00,000.00
Independent Directors Meeting	1,00,000.00
Nomination & Remuneration Committee Meeting	50,000.00
Audit Committee Meeting	50,000.00
Risk Management Committee Meeting	50,000.00
Project Committee Meeting	50,000.00

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 permitted under the provisions of 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 Listing Regulations, as applicable.
- (5) Any fees paid to the Directors for rendering any legal or consultancy services to the Company on a professional basis are not included in the 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 / grades. For lateral recruitment salary and personal pay is fixed as may be agreed with the candidate (while fixing the 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 basis of four rating Scales i.e. 4 - Excellent, 3 - Good, 2 - Average and 1 - Needs Improvement.

Considering the competition, similar sized companies in other industries and Company's performance, the range of percentage hike in the remuneration of employees 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

**M. P. Taparia**  
Chairperson  
(DIN 00112461)

Place: Mumbai  
Date: April 24, 2024



**ANNEXURE – 2**

**FORM NO. MR-3  
SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024**

(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, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2024 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, 2024 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 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 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, 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 Industrial Employment (Standing Order) Act, 1946
  - (c) Industrial Dispute Act, 1947 (central rules)
  - (d) The Boiler Act 1923 and The Maharashtra Boiler Rules, 1962 As Amended
  - (e) The Weights and Measures (Maharashtra State (Enforcement) Rules, 2010 As Amended
  - (f) The Atomic Energy Act, 1962 and The Atomic Energy Rules (Radiation Protection) Rules, 2004 As Amended
  - (g) The Air (Prevention and Control of Pollution) Act, 1981 As Amended
  - (h) The Manufacture, Storage, and Import of Hazardous Chemical (Amendment) Rules, 2000 as amended
  - (i) The Noise Pollution (Regulation and Control) Rules 2000 (Amendment 2010)
  - (j) Indian Boiler Regulations 1950 As Applicable





- (k) Contract Labour (Regulation & Abolition) Act, 1970
- (l) The Standards of Weights & Measures Act, 1976
- (m) The Manufacture, storage and import of hazardous Chemical Rules, 1989
- (n) The Public Liability Insurance Act, 1991/Rules made thereunder
- (o) The Water (Prevention and Control) of Pollution Act, 1974 and Rules thereto
- (p) The Petroleum Act, 1934
- (q) 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.

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. There were no changes in the composition of the Board of Directors that took place during the period under review.

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 no events occurred which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.

For **Parikh & Associates**  
Company Secretaries

Place: Mumbai  
Date : April 24, 2024

Signature:

**Shalini Bhatt**  
Partner

FCS No: 6484 CP No:6994  
UDIN: F006484F000227089  
P R 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 24, 2024

Signature:

**Shalini Bhatt**  
*Partner*

FCS No: 6484 CP No:6994  
UDIN: F006484F000227089  
P R 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) in terms of Section 188(1) of the Companies Act, 2013 and accounting standards, as applicable, 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. 2023-24)	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. 2023-24)	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 goods or materials and availing of any services in connection with the purchase or sale of goods or material including storage thereof and use of premises	Annual	Sales: 14087.15 Purchase: 116.94	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
Supreme Petrochem Ltd – Employees' Provident Fund Trust (PF Trust constituted by SPL)	Payment of statutory liability of Company regarding provident fund of employees of Company deducted from their salary	Annual	₹ 217.74	Not applicable as the transactions are in ordinary course of business and on an arm's length basis merely being deduction of statutory PF Contribution from salary of the respective employees and these transactions 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



Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions (during F.Y. 2023-24)	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)
Supreme Foundation – NGO	Remittance of CSR contribution for educational activities in the schools of State of Rajasthan as per agreement with Rajasthan State Government for imparting education.	Annual	₹500.00	Not applicable as the transactions are in ordinary course of business and on an arm's length basis, merely being CSR donation(s) for conducting Charitable/Educational activities at large to support the students and these transactions 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
Society for Rehabilitation of Paraplegics – NGO	Remittance of CSR contribution for construction of old age home	On-going project (3 years)	₹ 500.00	Not applicable as the transactions are in ordinary course of business and on an arm's length basis, merely being CSR contribution given for helping shelter less and helpless elderly peoples and these transactions 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

**M. P. Taparia**  
Chairperson  
(DIN 00112461)

Place: Mumbai  
Date: April 24, 2024

**ANNEXURE – 4**

**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (‘CSR’) ACTIVITIES FOR THE FINANCIAL YEAR 2023-24**

<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(3) 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 social development welfare schemes/activities under CSR programme.</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 plants in Amdoshi, Maharashtra and Manali, Tamil Nadu. Company undertakes CSR activities, as per Schedule VII of Companies Act, 2013 and its CSR Policy, benefitting the people majorly in terms of Health and Hygiene, Education, Paraplegics Support, Construction of Gram Panchayat Building/old age home/Toilets Blocks/ School/Health Centre, Helping Cancer Patients, Youth Skillings, Sports, Cultural Activities, Rural Development, Recycling of Consumer plastic waste, inter alia, other welfare activities taken up to support the deserving/underprivileged/marginalised people.</p> <p>Company also makes CSR contributions to accredited NGOs/ Foundations etc in fulfilling its CSR objectives as it deems fit and suitable.</p>
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**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(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the Company.</b>	URL: <a href="https://supremepetrochem.com/pdf/corporate-social-responsibility-policy.pdf">https://supremepetrochem.com/pdf/corporate-social-responsibility-policy.pdf</a>
<b>4.</b>	<b>Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.</b>	Not Applicable
<b>5.</b>	(a) Average net profit of the Company made during three immediately preceding financial years as per section 135(5).	71115.92
	(b) Two percent of average net profit of the Company as per sub-section (5) of Section 135.	1422.32
	(c) Surplus arising out of the CSR Projects or programmes or activities of the previous F.Y.	0.00
	(d) Amount required to be set-off for the F.Y., if any.	0.00
	(e) Total CSR obligation for the F.Y. [(b)+(c)-(d)].	1422.32
<b>6</b>	(a) Amount spent on CSR Projects (Ongoing Projects and Non-Ongoing Projects).	1418.12
	(b) Amount spent on Administrative Overheads	11.73
	(c) Amount spent on Impact Assessment, if applicable.	0.00
	<b>(d) Total amount spent for the F.Y. [(a)+(b)+(c)].</b>	<b>1429.85</b>

(e) CSR amount spent or unspent for the F.Y.:

Total Amount Spent for the F.Y. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
	Amount.	Date of transfer	Name of the Fund	Amount	Date of transfer
1429.85	473.34	23.04.2024	N.A.	N.A.	N.A.





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

Sl. No.	Particular	Amount (in ₹)
(1)	(2)	(3)
(i)	Two percent of average net profit of the Company as per sub-section (5) of section 135	1422.32
(ii)	Total amount spent for the F.Y.	1429.85
(iii)	Excess amount spent for the F.Y. [(ii)-(i)]	7.53
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous F.Y.(s), if any	0.00
(v)	Amount available for set off in succeeding F.Y.(s) [(iii)-(iv)]	7.53

(7) Details of Unspent CSR amount for the preceding three F.Y.(s):

(1) Sl. No.	(2) Preceding F.Y.(s)	(3) Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in ₹)	(4) Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in ₹)	(5) Amount Spent in the F.Y. (in ₹)		(6) Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		(7) Amount remaining to be spent in succeeding F.Y.(s) (in ₹)	(8) Deficiency, if any
				Amount (in ₹)	Date of Transfer	Amount (in ₹)	Date of Transfer		
1	2020-21	NIL	NIL	NIL	NIL	NIL	NIL	NIL	-
2	2021-22	416.38	240.68	149.23	NIL	NIL	NIL	NIL	-
3	2022-23	476.37	256.90	219.47	NIL	NIL	NIL	NIL	-

(8) Whether any capital assets have been created or acquired through CSR amount spent in the F.Y.:

√ Yes	No
If Yes, enter the number of Capital assets created/ acquired: 61	

Furnish the details relating to such asset(s) so created or acquired through CSR amount spent in the F.Y.:

**DETAILS OF CAPITAL ASSETS CREATED THROUGH CSR AMOUNT SPENT IN F.Y. 2023-24**

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. 2023-2024 (₹ In Lakhs)	Details of Capital Assets created and the entity or public authority or beneficiary to whom it belongs
1	Small Public Toilet Blocks	21-Mar-24	75.48	Construction of total 20 Blocks of small public toilets consisting of 2 WCs for Men and 2 WCs for Women in each unit having Area of 183 sq.ft. at following locations
				1) One Unit at Village Tadgaon for Tadgaon Grampanchayat, Taluka Roha, District Raigad, Maharashtra, Pincode 410205.
				2) One Unit at Village Palkhar for Nigade Grampanchayat, Taluka Roha, District Raigad, Maharashtra, Pincode 402107.
				3) Four Units at Village Nagothane for Nagothane Grampanchayat, Taluka Roha, District Raigad, Maharashtra, Pincode 402106.
				4) One Unit at Village Tamsoli for Ainghar Grampanchayat, Taluka Roha, District Raigad, Maharashtra, Pincode 402126.
				5) One Unit at Village Revoli for Medha Grampanchayat, Taluka Roha, District Raigad, Maharashtra, Pincode 402109.
				6) One Unit at Village Palas for Palas Grampanchayat, Taluka Roha, District Raigad, Maharashtra, Pincode 402106.



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. 2023-2024 (₹ In Lakhs)	Details of Capital Assets created and the entity or public authority or beneficiary to whom it belongs
				7) One Unit at Village Shetpalas for Palas Grampanchayat, Taluka Roha, District Raigad, Maharashtra, Pincode 402106.
				8) Four Units at Village Waghali for Palas Grampanchayat, Taluka Roha, District Raigad, Maharashtra, Pincode 402106.
				9) One Unit at Village Bahershiv for Palas Grampanchayat, Taluka Roha, District Raigad, Maharashtra, Pincode 402106.
				10) One Unit at PNP School for Palas Grampanchayat, Taluka Roha, District Raigad, Maharashtra, Pincode 402106.
				11) One Unit at Village Kavaychi Wadi for Bhatsai Grampanchayat, Taluka Roha, District Raigad, Maharashtra, Pincode 402109.
				12) One Unit at Village Pale Tarfe Ashtami for Bhatsai Grampanchayat, Taluka Roha, District Raigad, Maharashtra, Pincode 402109.
				13) One Unit at Village Warawade for Bhatsai Grampanchayat, Taluka Roha, District Raigad, Maharashtra, Pincode 402109.
				14) One Unit at Village Kalkai for Vani Grampanchayat, Taluka Roha, District Raigad, Maharashtra, Pincode 402106.
2	Health Care	07-Mar-24	2.97	1) 11 Units of Water Coolers for various Schools & Anganwadies at following locations
				a) One Unit Raigad Zilla Parishad, School Suksli, Post Ainghar, Tatuka Roha, District Raigad 402126
				b) One Unit Raigad Zitta Parishad, School Ainghar, Post Ainghar, Taluka Roha, District Raigad 402126
				c) One Unit Raigad Zilla Parishad, School Bense, Near Reliance Township, At post Bense, Tatuka Roha, District Raigad 402125
				d) One Unit Raigad Zilla Parishad, School Bensewadi, Tatuka Pen, District Raigad 402107
				e) One Unit Prabhakar Patil education society Secondary school Patas tatuka Roha, District Raigad 402106
				f) One Unit Raigad Zilla Parishad, School Shirshewadi, Tatuka Sudhagad, District Raigad 410205
				g) One Unit Raigad Zilla Parishad, School Khawati, Tatuka Sudhagad, District Raigad 410205
				h) One Unit Raigad Zilla Parishad, School Pilosari, Tatuka Sudhagad, District Raigad 410205
				i) One Unit Raigad Zilla Parishad, School Uddhar, Tatuka Sudhagad, District Raigad 410205
				j) One Unit Raigad Zilla Parishad, School Waravatane, Post Nagothane, Tatuka Roha, Zilla Raigad 402106
				k) One Unit Smt. Geeta D Tatkare Madhyamik Vidyalay Velshet Ambeghar, Post Pigonde, Taluka Roha, District Raigad 402106
		26-Mar-24	7.01	2) Gym Equipments at Village Warwatane at Taluka Roha, District Raigad, Maharashtra, Pincode-402106.
		26-Mar-24	6.00	3) Gym Equipments at Village Palkhar at Taluka Pen, District Raigad, Maharashtra, Pincode-402107.
		26-Mar-24	11.98	4) Gym Equipments at Village Rajewadi at Taluka Roha, District Raigad, Maharashtra, Pincode-402109.
3	Construction of Anganwadies for Grampanchayats	21-Mar-24	123.94	Construction of Total 9 Anganwadies at locations indicated below (Area 640 sq.ft. each)
				1) One Unit at Village Tadgaon for Tadgaon Grampanchayat, Taluka Roha, District Raigad, Maharashtra, Pincode 410205.
				2) One Unit at Village Ghodgaon for Chikhhalgaon Grampanchayat, Taluka Roha, District Raigad, Maharashtra, Pincode 410205.



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. 2023-2024 (₹ In Lakhs)	Details of Capital Assets created and the entity or public authority or beneficiary to whom it belongs
				3) One Unit at Village Bensewadi for Bense Grampanchayat, Taluka Roha, District Raigad, Maharashtra, Pincode 402106.
				4) One Unit at Village Wasunde for Mangaon Budruk Grampanchayat, Taluka Roha, District Raigad, Maharashtra, Pincode 410205.
				5) One Unit at Village Uddhar Adiwasi Wadi for Uddhar Grampanchayat, Taluka Roha, District Raigad, Maharashtra, Pincode410205.
				6) One Unit at Village Adiwasi Wadi for Kuhire Grampanchayat, Taluka Roha, District Raigad, Maharashtra, Pincode402106.
				7) One Unit at Village Chafewadi for Kuhire Grampanchayat, Taluka Roha, District Raigad, Maharashtra, Pincode 402106.
				8) One Unit at Village Bangalwadi for Kuhire Grampanchayat, Taluka Roha, District Raigad, Maharashtra, Pincode 402106.
				9) One Unit at Village Kavyachiwadi for Bhatsai Grampanchayat, Taluka Roha, District Raigad, Maharashtra, Pincode 402109.
4	E-Learning (E-Classrooms)	18-Mar-24	30.17	Renewal of Software & Hardware for E-Learning facility was provided for 15 Classrooms at 5 Schools at Taluka Roha, District Raigad, Maharashtra, Pincode 402106.
5	Construction of Grampanchayat Building	21-Mar-24	10.46	Grampanchayat at Village Wangani at Taluka Roha, District Raigad, Maharashtra, Pincode 402106.
6	Construction of Old age home	18-Mar-24	170.00	Society for Rehabilitation of Paraplegics, Sharan, Plot No. 52, Sector 9a, Vashi, Navi Mumbai 400703.
7	EPS Compactor Machine	19-Sep-23	0.94	Indian Centre for Plastics in the Environment (ICPE), 401, 4th Floor, Choksey Mansion, 303, Shahid Bhagatsingh Road, Fort, Mumbai 400001.

(9) Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135. – **NOT APPLICABLE**

**M. P. Taparia**  
Chairperson CSR Committee

**N. Gopal**  
Manager

### **CFO CERTIFICATE**

This is to certify that the funds allocated by Company for carrying CSR Projects/activities during F.Y. 2023-24 have been duly spent/utilized for the specified purpose in terms of section 135 of the Companies Act, 2013 and other applicable provisions.

**Rakesh Nayyar**  
CFO

Place : Mumbai

Date : April 24, 2024

## MANAGEMENT DISCUSSION AND ANALYSIS

### ECONOMIC REVIEW

#### Global Economy

The global economy experienced another year of slow growth in F.Y. 2023-24 marked by high inflation, high interest rates, rising geopolitical tensions, weak global trade growth and concerns of recession in some parts of the world. Global economy is estimated to have grown by 2.7% in 2023 compared to 3.0% in 2022. The conflict in Middle East has increased geopolitical risks leading to surging energy prices with potential adverse implications for global growth. Under the circumstances World Bank estimates global economy to grow by 2.4% in 2024.

#### Indian Economy

The Indian economy supported by domestic demand and growth in manufacturing and services grew by 7-8% during 2023-24. The growth was also driven by Government investments in infrastructure. Inflation has remained within the Reserve Bank of India's target range and policy interest rates remained unchanged. With improved capacity utilisation and strong balance sheet, the private sector investments are witnessing growth. As per World Economic Outlook published by IMF in April, 2024, India is poised to keep its position as the fastest growing economy in the world in 2024-25 with projected growth at 6.8%.

Robust GST collections, increased stamp duty collections by states on housing sales, and stable exports of manufactured products and services show all around increase in the economy and the same is expected to sustain on the back of a normal monsoon this year. Indian economy's prospects remain bright with continuing investment spending and increased consumption by Government. India's manufacturing sector ended 2023-24 on a stellar note with the Purchasing Manager's Index (PMI) soaring to a 16 year high of 59.1 in March 2024.

### REVIEW OF OPERATIONS

Company's revenue was ₹5,321.49 crores (net of GST) for the year 2023-24 as compared to ₹5,346.14 crores. Company earned a net profit after tax of ₹346.49 crores during the year 2023-24 as against ₹498.14 crores in the previous year.

Company's total sales volumes of its manufactured products including exports increased during the year by 13.75% to 325,235 MT. Domestic volumes grew by 7.3% during the year whereas export volumes increased by 82% during the year. The capacity utilisation for the Company put together all products including expanded capacities of PS and EPS was 74.50% during the year.

Though the volumes were up by 13.75% during the year, the sales revenue was lower as compared to previous year since the prices of Styrene Monomer, the main raw material were on annual average basis lower by over 11% during the year compared to previous year. The global margins were under pressure due to weaker than expected growth in China and

Europe. Export volumes and margins were also impacted in the second half of the year due to Red Sea crisis. Recent escalation in war between Iran and Israel causes anxious environment for global trade. Company is making efforts to navigate this uncertainty by exploring new markets and customers.

#### Styrene Monomer (SM)

Styrene Monomer prices remained largely stable during the year despite geopolitical risks except the first quarter of the year where it witnessed some sharp movements in its prices. Styrene availability was otherwise reasonably stable without any major disturbances. Most of the major new projects planned in China were completed. Firm Benzene prices ensured stable Styrene prices, despite poor demand for derivatives of Styrene in China. China's dependency on imported Styrene and its derivatives continue to decrease on ample domestic supply. In view of this exploring export options to other areas/countries, becomes more important for Asian producers, particularly Taiwanese & Korean players in styrenics industry.

While China dominates the global petrochemicals business due to its persistent efforts to become self-sufficient in all building blocks, Middle East producers are recalibrating their businesses to tackle the global glut in petrochemicals due to this changed circumstance. Company with its proactive management and deep understanding of the Styrene market is able to maintain regular supply of Styrene. India is being considered a key partner now more than ever before. Company is therefore well placed with support from all Middle East, South East and East Asia suppliers for Styrene. Shore tank infrastructure is being continuously increased in various locations to cater to the increased needs of Company as well as its customers for Styrene.

#### Polystyrene (PS)

PS demand during the year was flat in line with the previous year mainly due to weak demand from Appliance sector. Company's Non OEM domestic sales of PS were also flat and did not see any appreciable growth. Your Company could maintain its market share mainly due to the high quality of its product offerings and engaging in continual improvement program. Company developed certain grades especially to counter low priced imports and introduced same to the segments dominated by imports.

Company's total PS sales volumes increased in 2023-24 by 9.7% including exports. Company could grow its exports significantly during the year once additional capacity after expansion was available. Company's exports of PS increased during the year by 84%.

PS business in Asia is undergoing significant changes consequent to Chinese self-sufficiency drive. This shall impact Indian producers in terms of price pressure from other Asian PS producers who look upon India as a key market. Considering the projections made by appliance sector and also the increase expected in other applications, Company estimates



that domestic market for PS in 2024-25 shall grow by about 5%. Geopolitical issues and weak growth in Europe may limit Company's exports growth in 2024-25. Company expects to grow its PS sale volumes including exports by about 8-10% in 2024-25.

## Expandable Polystyrene (EPS)

EPS Market showed a healthy growth of over 10% during the year on the back of increased demand from cold storage packaging sector including fish, fruit, appliances and other packaging. Company's EPS business grew by over 24% on addition of new customers into its fold and increasing its market share in many applications.

Floods around Company's Manali plant in Tamil Nadu impacted operations for over two weeks. During this period customers requirement in southern region were reasonably met from Amdoshi plant. Company was also able to meet demand from some of the north India based customers who were affected by the temporary closure of one of the producers in north India.

Market in 2024-25 is expected to grow by 5% based on projections given by the customers. Two new EPS units are likely to start operations during 2024-25, with an estimated effective installed capacity of about 3,700 tons per month creating more competition in the market. Company, however, shall be working to retain its market share with its excellent quality, customer service as well the all-India presence. Excess capacity, if any, will be exported to neighbouring countries as well as Europe where company has already got its grades approved by keycustomers.

## Speciality Polymer Compounds (SPC)

SPC business grew by 23% during the year. Company was able to grow in the highly competitive Black MB market by virtue of maintaining consistent high quality. Keeping abreast of regulatory requirements Company upgraded various FR polymers offered by it and this enabled it to grow FR compounds business.

Company could get BIS License for manufacturing a variety of ABS Compounds in a short time which would give a fillip to our Compounds business in the coming year. In preparation for the mass ABS grades that would be available on completion of the ABS project, the Technical team is fully engaged with developing several compounded grades to meet the demanding applications in electrical and electronics segment, sheet extrusion applications etc.

With various developments being pursued by the Company, particularly in the field of engineering plastics, we expect SPC business to grow by 20% in 2024-25 period.

## Extruded Polystyrene Boards (XPS)

Building insulation segment showed steady growth. However, reduction in vaccine packaging requirement as well completion of certain large projects, which gave a fillip to XPS business in last two years and delays in orders from new large projects resulted in de-growth of 15% in overall demand.

In order to push the pace of Building Insulation, Company got XPS Boards approved by CII GreenPro under Type-1 EColabel. This is accredited by Global Ecolabelling Network (GEN) through GEN's Internationally co-ordinated Ecolabeling System. INSUBoard is also included in GRIHA under several categories including as an Energy Efficient and low Ozone Depleting Potential (ODP) Material. Your Company is also closely working with IGBC to promote Insulation in various Green Building projects. Company expects that with new projects progressing demand for XPS will grow in the year 2024-25 by about 20 - 25%.

## Acrylonitrile Butadiene Styrene (ABS)

Company's efforts in importing & supplying ABS grades is well appreciated by customers in various segments of ABS market. The compounds developed by Company were well accepted. After a brief disruption in supplies due to BIS certification procedures, Company re-started supply of compounds. BIS certification of Versalis, Italy plant is in progress. On completion of the same, Company will start seed marketing program which is timed in such a way that the completion of seed marketing and commissioning of the project will happen seamlessly.

## EXPORTS

Polystyrene exports were pushed on completion of expansion and same grew by 84% over the previous year. Exports of other products put together increased by 63% over previous year. Total volume of exports increased by 82% over the previous year. However, high freight rates consequent to Red Sea issues dampened the exports in the last quarter to customers in Europe, Turkey & East Coast of U.S.A.

Company is fully cognizant of the changes in the global trade patterns due to China's drive to self sufficiency in petrochemicals and is geared to not only keep our traditional markets/customers but also develop new ones with emphasis on speciality grades of PS & EPS.

## SUSTAINABILITY INITIATIVES

Company believes that environment sustainability is essential to create long term value for its stakeholders and therefore considers environment sustainability as one of its core values.

Company continues to undertake various measures for improved energy and water efficiency at both its manufacturing locations as part of its initiative towards environment sustainability.

Company has installed Zero Liquid Discharge system (ZLD) at both its manufacturing locations in Maharashtra and Tamil Nadu. This not only has reduced fresh water intake for its processes but also significantly lowered effluent discharge.

Considering importance of climate change as a business risk, Company partly uses renewable energy. During 2023-24 Company used 61% of its energy requirements at its Manali plant, Tamil Nadu from renewable sources. For its Amdoshi plant in Maharashtra, Company has entered into a JV for



generation of solar energy of 12.5 MW. Company has also put up solar power on rooftop at its plant at Amdoshi with capacity of 1 MW which has recently been commissioned in April 2024. With these solar energy capacities Company should be able to meet over 50% of its energy requirement from renewable sources at its Amdoshi plant.

Company continues with its efforts in educating general public on the need for collection and recycling of post consumer plastics waste with particular emphasis on EPS packaging with the help of several NGOs and ICPE. While substantially large volumes of post consumer EPS material are being collected and recycled into useful products like photo frames, panels / louvers for interior decoration, these activities are not well documented since the players are in un-organised sector. Your Company took the initiative to verify/enumerate them by physical visits to their facilities across the country and working with several recyclers to bring them into formal sector. More than 40,000 MT of post-consumer EPS collection and recycling has been recorded and the activity is still in progress and expected to be substantially complete by end of 2024. Your Company's target is to help collect and recycle the last kilo of EPS used in the country.

Company is complying with the directions of CPCB including Extended Producer Responsibility (EPR), as applicable to the Company. Company is meeting the requirement of use of reprocessed material as is calculated by EPR portal in respect of all plastic packaging used by the Company for its operations.

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 benchmarking. BRSR is attached separately with the annual report forming its integral part.

**CAPITAL EXPENDITURE**

First line of Mass ABS project is progressing as per schedule. Detail engineering and procurement activities are on the verge of completion. Civil construction is progressing well and will be finished before the onset of monsoon. Structural erection work and piping prefabrication work is ongoing. Electrical works contract will be finalised in May. The project is expected to be commissioned in Q4 of FY 2024-25. Looking at the current ABS capacity creation in China and trade imbalances caused by geopolitical issues Company will appropriately time the construction schedule of the second line.

Second phase of EPS capacity expansion project is progressing as per schedule. Equipment delivery at site has started. The project is expected to be commissioned in Q4 of FY 2024-25.

Evaluation of new compounding lines for ABS as well as engineering compound is completed and are being ordered shortly. Project is expected to be commissioned in Q4. The proposed XPS expansion project at Amdoshi may be deferred if an alternate location is preferred.

Company announced a new growth centre at village Munak, Karnal, Haryana. Initial projects under consideration at Munak are PS, EPS and derivatives such as XPS, 3D panel, Sheeting etc. Company has started pre-project work for this site including environment clearance and other statutory approvals. Limited capital expenditure for infrastructure development on the Munak site will be done in F.Y. 2024-25.

The Company incurred a total expenditure of ₹313 crores during the year under review for projects related to EPS, mass ABS and hardware replacement at Amdoshi and Manali locations and purchase of land at village Munak, Karnal.

Capital Expenditure proposed to be incurred in the current financial year towards mass ABS project, EPS second phase expansion, SPC projects at Amdoshi and hardware replacement at both locations (Amdoshi and Chennai) and initial infrastructure development expansion at Munak, Karnal is estimated at ₹350 crores.

**FINANCE**

Company remains debt free. Company enjoys working capital facilities from its bankers mainly in the form of non-fund based limits.

Available surplus funds are deployed in short term debt schemes of reputed mutual funds, bank fixed deposits and sovereign bonds so as to optimise returns with minimum risk to the principal amounts invested.

Capital expenditure of ₹313 crores incurred during the year was met from internal accruals. All capital expenditure planned as on date is proposed to be funded from Company's own funds.

CRISIL Ratings Ltd. has reaffirmed long term rating at CRISIL AA -/ Stable and short term rating at CRISIL A1+ for Company's working capital facilities from banks.

India Ratings and Research (Ind-Ra) reaffirmed Company's long term rating with revised outlook to stable with INDAA-/ stable/ IND A1+ and short term rating to INDAA-/ stable/ IND A1+.

**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	
			31/3/2024	31/3/2023
1	Debtors Turnover Ratio	Times	<b>13.83</b>	13.66
2	Inventory Turnover	Times	<b>7.99</b>	9.14
3	Current Ratio	Times	<b>2.23</b>	2.41
4	Debt Equity Ratio*	Times	<b>0.06</b>	0.01
5	Operating Profit Margin	%	<b>10.04</b>	13.41
6	Interest Coverage Ratio	Times	<b>74.00</b>	200.81
7	Net Profit Margin	%	<b>6.51</b>	9.32
8	Return on Average Net Worth	%	<b>17.94</b>	29.66
9	Return on average capital employed	%	<b>24.16</b>	39.10

\* The Company is Debt free. For purpose of calculation of this ratio amortised value of right to use assets taken on lease is considered as debt.

With pressure on margins in global markets, Company's margins reduced in turn affecting profitability ratios and return on net worth and capital employed.

**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 particularly on all imports of Styrene Monomer from 24/10/2024. This could be a cause of concern particularly for supplies from manufacturer suppliers in U.S.A., China, Europe and supplies through trading houses.

To overcome risks of cost and pricing due to foreign exchange volatility, Company hedges part of open foreign exchange exposure. 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 against all risks and 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 (Primary and Data Recovery) in the best-in-class Tier IV Data Centres located at different seismic Zones. Tools like antivirus, antispymware, antimalware, EDR (Endpoint Detection & Response), Data Bank and Protection (DLP) 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. DR drill is carried out to ensure business continuity. IT policy and controls are reviewed periodically.

**HUMAN RESOURCES / INDUSTRIAL RELATIONS**

The Company emphasizes to build a culture that prioritizes well-being of the employees and encourage them to attend and participate in various conferences/seminars/skill development programs/trainings etc. which will empower them to learn and develop, being crucial to its long-term success. The Company makes its best endeavour to provide the employees a conducive and positive work environment at the workplace which in turn enables the employees to perform at the best of their capabilities and potential and equips them to deliver improved and better results consistently. Career development opportunities are provided at all levels across the entire functions of the Company. 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. Audit of Internal Financial Controls (IFC) was carried out by the statutory auditors.

## HSE MANAGEMENT, AWARDS & RECOGNITION

### Health, Safety and Environment:

Company places paramount importance on the health and safety of its workforce and is part of its core values. All requirements under applicable laws and regulations are fully complied with by the Company. Considering the significance of Health Safety and Environment to any petrochemical operations, the 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 continued 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 stood to be in "Excellent" Range Company's plant at Amdoshi completed 8568 accident-free days as on March 31, 2024 i.e. 22.45 million man-hours of accident-free operations. At Manali plant Company has completed 6139 accident free days as on March 31, 2024 i.e. 3.9 million man-hours of accident free operations.

### Awards and Recognition

Company has achieved the following recognitions and awards in the field of HSE during the period under review :

#### Amdoshi – Maharashtra Unit:

- National Safety Council of India (NSCI) – National Safety Awards 2023 (Gold Award) Sarva Shreshtha Suraksha Puraskar at the national level
- Shri Narayan Meghaji Lokhande Industrial Safety and Health Award - 2023 Government of Maharashtra
- Winner - Maharashtra Safety Award Competition - 2022 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)

- Winner - Maharashtra Safety Award Competition - 2022 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)
- Winner – 21st Annual Greentech Safety Award 2023 in Safety Excellence Category
- Winner – 21st Annual Greentech Safety Award 2023 in Award Category Fire & Safety Skilling
- 23rd Greentech Environment Award 2023 in Innovative Technology Adoption Award Category
- 23rd Greentech Environment Award 2023 in Environment Excellence Award

#### Manali, Chennai – Tamil Nadu Unit:

- "Certificate of Appreciation" from National Safety Council of India (NSCI) under National Safety Awards 2023 at the national level
- Occupational Health, Safety and Environment Awards 2023 - Appreciation Award by the National Safety Council -Tamil Nadu Chapter
- 23rd Greentech Environment Award 2023 in Environment Excellence Award Category

### 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: 2023-24**

**1. COMPANY’S PHILOSOPHY ON CORPORATE GOVERNANCE:**

Company considers good Corporate Governance across all its functions as the keystone for a truly sustainable Company. Corporate Governance is a set of principles, processes, systems and procedures to be followed by the Directors, Management and all Employees of the Company for consistent growth of the Shareholders’ value while keeping in view the interest of other Stakeholders as well. Procedures, guidelines and practices have been evolved to ensure timely disclosures of business information regarding financial and operational performance, significant events etc. of the Company through requisite disclosures, quarterly results, newspaper publication, chairman statement, annual report, investors meet and earnings & investor presentations etc. 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 made to the Company.

Company places emphasis on transparency across its entire business segment 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.

The Directors fully endorse and support the Corporate Governance practices in accordance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015) (“Listing Regulations”).

Company strives continuously to adopt and incorporate ESG practices into its systems, operations and also align with the disclosure requirements in this regard through BRSR as per Listing Regulations. BRSR is annexed to the Annual Report separately forming its integral part.

**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, 2024, is comprised of 10 Directors, out of which 4 Directors are Non-Independent and Non-Executive Directors, 1 is Whole-time Director and 5 are Non-Executive Independent Directors. The Management conducts the day-to-day affairs of the Company subject to the supervision and control of the Board of Directors. The Directors bring to the Board multifacet experience, diversity and skills required for Company’s successful business operations/ performance.

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 on March 31, 2024, 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	2	75466	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	2	10	–	1	800	–
B. L. Taparia DIN No. 00112438	Non-Executive, Non-Independent	2	1	–	–	107668	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	75466	Nephew of Shri M. P. Taparia and Shri B. L. Taparia
R. Kannan DIN No. 00380328	Non-Executive, Independent	1	–	1	3	–	–



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. S. Ramachandran DIN No. 00943629	Non-Executive, Independent	1	–	–	–	–	–
Ameeta Parpia DIN No. 02654277	Non-Executive, Independent	5	0	4	10	109002	–
Dr. S. Sivaram DIN No. 00009900	Non-Executive, Independent	4	–	–	–	–	–
Rajeev Pandia DIN No. 00021730	Non-Executive, Independent	5	–	3	6	–	–
K. V. Mujumdar DIN No.08866096	Whole Time Director	–	–	–	–	6000	–

**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.

\*\*\* Membership includes Chairpersonship

The number of Directorship(s), Committee Membership(s)/Chairpersonship(s) of all Directors is within the respective limit prescribed under the Act and Listing Regulations as amended from time to time.

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	ICICI Prudential Life Insurance Co. Ltd.	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. 20 Microns Limited	Non-Executive & Independent Director Non-Executive & Independent Director
Rajeev Pandia DIN No.00021730	GRP Limited 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
K. V. Mujumdar	NIL	NIL



**(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, Shri M.S. Ramachandran	Marketing & Operations
Shri Rajan B. Raheja, Shri. R. Kannan	Finance & Banking
Dr. S. Sivaram, Shri Rajeev Pandia	Industry Developments
Dr. S. Sivaram	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, 2024. 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 posted of other vital events taking place in the Company and Board's approvals are obtained, whenever necessary.

The Company has not entered into any material related party transaction, during the year under review with any of the Promoters, Directors, Key Managerial Personnel and Senior Management Personnel and Employees etc. other than the transactions, if any, entered into in its ordinary course of business and on an arm's length basis.

**Declaration of Independence on Board**

Based on the confirmation/disclosures received from the Directors, 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 Listing Regulations and are independent of the management.

**(IV) Board Meetings:**

During the year under review the Board met on 5 occasions i.e. April 26, 2023, July 04, 2023, July 27, 2023, October 27, 2023 and January 18, 2024. The maximum gap between two Board Meetings was less than 120 days. The minutes of the meetings of all the Board and Committees of the Board are circulated to all the Directors after incorporating the comments of the Directors, if any.

**(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 are as below:

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)	5	5	Yes

Name of the Director	Category of Directorship	Meetings held during the tenure of the Directors	Meetings Attended	Attendance at the Last AGM
Rajan B. Raheja	Non-Executive, Non-Independent / Promoter Director	5	5	Yes
B. L. Taparia	Non-Executive, Non-Independent	5	5	No
S. J. Taparia	Non-Executive, Non-Independent	5	5	Yes
R. Kannan	Non-Executive, Independent	5	5	Yes
M. S. Ramachandran	Non-Executive, Independent	5	5	Yes
Ameeta Parpia	Non-Executive, Independent	5	5	Yes
Dr. S. Sivaram	Non-Executive, Independent	5	5	Yes
Rajeev Pandia	Non-Executive, Independent	5	5	Yes
K. V. Mujumdar	Whole Time Director	5	5	Yes

**(VI) 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 in terms of SEBI (Prohibition of Insider Trading Regulations), 2015 (“PIT Regulations”). The Company follows strict guidelines in respect of stock trading(s) done by the Insiders and their related disclosures. The Company Secretary is designated as Compliance Officer to oversee the implementation thereof. Requisite 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 validly open trading window period after obtaining pre-clearance(s) wherever required. Structured Digital Database (SDD) system have also been implemented in the Company in terms of PIT Regulations, which is being used by Designated Persons (DPs), intermediaries and fiduciaries of the Company to protect the confidentiality of its Unpublished Price Sensitive Informations (UPSIs), as may be applicable.

**(VII) 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, 2024. The Independent Directors Shri R. Kannan, Shri M. S. Ramachandran, Ms. 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.

The proposal for reappointment of Shri Rajeev Pandia as an Independent Director of the Company for a further period of 5 years w.e.f. April 26, 2024 (i.e. upto April 25, 2029), being his second term, has been recommended by the Board of Company to the shareholders for their consideration/approval in the ensuing AGM and seeking their approval by way of special resolution.

The details, in respect of directors to be appointed/reappointed, as per Regulation 36(3) of the Listing Regulations and the Secretarial Standards on General Meetings is being provided in the notice of the ensuing Annual General Meeting.

**Performance Evaluation Criteria for Independent Directors:**

The Criteria for performance evaluation of Independent Directors includes:

- (1) Attends meetings regularly.
- (2) Understands business and 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 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/information presented to the Board for 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’ at the Meeting held on January 18, 2024:**

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

**(VIII) Evaluation of Directors**

The Board conducted evaluation of Independent Directors pursuant to the provisions of Regulation 17(10) of Listing Regulations and found them suitable regarding their roles, scopes and functions and thus to continue them as Independent Directors of the Company. The Independent Directors were also found to be complied w.r.t. fulfilling their independence criteria on basis of their disclosures tendered to the Company in terms of the provisions of Section 149(6) of Companies Act, 2013 and Regulation 16(1)(b) of Listing Regulations.

During the year under review, the Independent Directors held their separate meeting on January 18, 2024 pursuant to the provisions of Section 149(8) of Companies Act, 2013 (read with Schedule IV thereto) and Regulation 25(3) and 25(4) of Listing Regulations and evaluated the performance of Non-Independent Directors, the Board as a whole and the Chairperson of the Company and found them appropriate for continuing in the Company in their existing roles and capacity.

**(IX) Familiarization Programme for Independent Directors – 2023-24**

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

- Overview of performance of all verticals of Company PS/EPS/XPS/SPC and SM supply and price movements.
- Expansion Projects status of PS/EPS/ABS at Manali and Amdoshi Plant locations of the Company and project cost/ outlay etc.
- Impact of High Freight Cost on the transportation of goods globally due to attack by the sea-pirates on the cargo ships
- Cyber Crime, the effect and mitigation measures adopted by the Company.
- Review of risk emerging out of external environment viz. Ukraine and Russia conflict, supply chain disruptions etc.
- Extended Producers Responsibility (EPR) and CPCB directives, as applicable to the Company and impact thereof.
- Structured Digital Database (SDD) in terms of SEBI (PIT) Regulations, 2015.
- Details regarding new project proposed to be set-up at Munak Village Karnal, Haryana including downstream projects thereto.

The Company is in compliance with the mandatory requirements of Corporate Governance provisions as per Listing Regulations 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 at [www.supremepetrochem.com](http://www.supremepetrochem.com)

**(X) Code of Conduct:**

The Company has adopted a Code of Conduct for its Directors and Senior Management Personnel pursuant to the provisions of Regulation 17(5)(a) of Listing Regulations, which has been approved by the Board of Directors. This code has been posted on the Company's website at URL: <https://supremepetrochem.com/download/code-of-conduct-for-board-members-and-senior-management.pdf>.

**Declaration by the Manager**

During the year under review, all the Directors and Senior Management Personnel of the Company have affirmed their adherence to the provisions of the code of conduct of Company as applicable to them.

**N. Gopal**

Manager

Place: Mumbai

Date: April 24, 2024

**3. REMUNERATION OF DIRECTORS/KEY MANAGERIAL PERSONNEL (KMPs):**

Details of remuneration paid during the financial year 2023-24:

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

Name of the Directors	Category of Directorship	Nature of Remuneration (viz. Sitting Fees) (₹)	Amount Paid for professional services (₹)
M. P. Taparia	Chairperson (Non-Executive, Non-Independent / Promoter Director)	6,50,000/-	–
Rajan B. Raheja	Non-Executive, Non-Independent / Promoter Director	5,00,000/-	–
B. L. Taparia	Non-Executive, Non-Independent	5,00,000/-	–
S. J. Taparia	Non-Executive, Non-Independent	7,50,000/-	–
R. Kannan	Non-Executive, Independent	10,00,000/-	–
M. S. Ramachandran	Non-Executive, Independent	7,50,000/-	5,00,000/-
Ameeta Parpia	Non-Executive, Independent	8,50,000/-	–
Dr. S. Sivaram	Non-Executive, Independent	6,00,000/-	–
Rajeev Pandia	Non-Executive, Independent	8,50,000/-	–
<b>TOTAL</b>		<b>64,50,000/-</b>	<b>5,00,000/-</b>

**b) Whole Time Director**

Name of the Director	Category of Directorship	Elements of Remuneration	Amount (₹)		Performance Linked Incentive (PLI)
			Fixed	Variable	
K. V. Mujumdar	Whole Time Director	Salary, Allowances, Ex-Gratia & Performance Incentives	1,14,98,570	20,97,952	PLI criteria is linked to the Company and Employee's performance
<b>TOTAL</b>			<b>1,35,96,522</b>		

**Disclosure under Regulation 36(3) of Listing Regulations read with Schedule V(C)(6) thereto:**

Shri K. V. Mujumdar, Whole Time Director:

- (i) Service contract for five years w.e.f. 19.09.2020 to 18.09.2025
- (ii) Notice period 3 months
- (iii) No severance fee payable.

**c) Manager (KMP)**

Name of the KMP	Category	Elements of Remuneration	Amount (₹)		Performance Linked Incentive (PLI)
			Fixed	Variable	
N. Gopal	Manager	Salary, Allowances, Ex-Gratia & Performance Incentives	2,66,40,150	74,41,940	PLI criteria is linked to the Company and Employee's performance
<b>TOTAL</b>			<b>3,40,82,090</b>		

**Disclosure under Regulation 36(3) of Listing Regulations read with Schedule V(C)(6) thereto:**

Shri N. Gopal, Manager :

- (i) Service contract from April 16, 2024 to March 31, 2026
- (ii) Notice period 3 months
- (iii) No severance fee payable.

The criteria for making payment to Non-Executive Directors / KMPs are displayed on Company website at URL: [https://supremepetrochem.com/download/policy-relating-to-remuneration-of-director\(s\)-and-key-managerial-personnel-\(kmp\).pdf](https://supremepetrochem.com/download/policy-relating-to-remuneration-of-director(s)-and-key-managerial-personnel-(kmp).pdf).

The Company does not make any payment to Non-Executive Directors other than sitting fees for attending meetings of the Board/Committee. The Company during the year under review paid ₹ 5.00 Lakhs additionally to the Independent Director Shri M. S. Ramachandran for his professional services provided to the Company, as approved by the members of the Company.

The Company does not have any Employee Stock Option Scheme.

**4. 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 (read with Part C of Schedule II) of the Listing Regulations.

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

The terms of reference of the Audit Committee, inter-alia, include followings :

- (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 and approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (3) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval. This would inter-alia include:
  - (i) Changes, if any, in accounting policies and practices and reasons for the same.
  - (ii) Major accounting entries involving estimates based on the exercise of judgment by management.
  - (iii) Significant adjustments made in the financial statements arising out of audit findings.
  - (iv) Disclosure of any related party transactions;
  - (v) Modified opinion in draft audit report, if any.
- (4) Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
- (5) Review and monitor the auditor's independence and performance and effectiveness of audit process;
- (6) Scrutiny of inter-corporate loans and investments;
- (7) Evaluation of internal financial controls and risk management systems;
- (8) Discussion with internal auditors of any significant findings and follow up thereon;



- (9) 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;
- (10) To review the functioning of the whistle blower mechanism;
- (11) 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;
- (12) Review compliances of Company with respect to the SEBI (Prohibition and Insider Trading) Regulations, 2015 on annual basis.
- (13) (a) Review of Management discussion and analysis of financial condition and results of operations;  
 (b) Review of Statement of significant related party transactions;  
 (c) Letters, if any, issued by the statutory auditors regarding internal control weaknesses;  
 (d) Review of quarterly statement of deviation(s) including report of monitoring agency submitted to stock exchange(s) in terms of Regulation 32(1), if applicable
- (14) 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 has been constituted in accordance with the provisions of Regulation 18 of the Listing Regulations and the provisions of Section 177 of the Act. The Company Secretary of the Company acts as the Secretary to the Committee.

During the year under review the Audit Committee met on 4 occasions i.e. April 26, 2023, July 27, 2023, October 27, 2023 and January 18, 2024. 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, 2024 are as under:

Members	Category of Membership	Meetings held	Meetings Attended
R. Kannan	Chairperson (Non-Executive, Independent)	4	4
S. J. Taparia	Non-Executive, Non-Independent	4	4
Rajeev Pandia	Non-Executive, Independent	4	4
Ameeta Parpia	Non-Executive, Independent	4	4

Shri R. Kannan, Chairperson of the Audit Committee, was present at the AGM of the Company held on July 4, 2023.

**5. 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 Listing Regulations.

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

The terms of reference of the NRC embodies 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 brief terms of reference of the NRC, 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 and evaluation of Independent Directors and the Board of Directors;
- (2) Devising a policy on diversity of Board of Directors;



- (3) Identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down and recommend to the Board of Directors for their appointment / removal. Also specifying the manner for effective evaluation of performance of Board, its Committees and Independent Directors.
- (4) Directors 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
- (5) 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 27, 2023. The composition of the NRC and details of its meeting attended by its members during the financial year ended March 31, 2024, 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

**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 Listing Regulations.

**(I) Brief description of the 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 share 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 2023-24, the SRC met on 20 occasions i.e., April 26, 2023, May 19, 2023, June 1, 2023, June 20, 2023, July 4, 2023, August 05, 2023, September 6, 2023, September 22, 2023, October 13, 2023, October 30, 2023, November 13, 2023, November 27, 2023, December 14, 2023, December 20, 2023, January 12, 2024, January 18, 2024, January 24, 2024, February 07, 2024, February 15, 2024 and March 2, 2024. The Company Secretary of the Company acts as Secretary to the Committee.

The composition of the SRC and the details of the meetings attended by its members during the financial year ended March 31, 2024, are as under:

Members	Category of Membership	Meetings held	Meetings Attended
M. P. Taparia	Chairperson (Non-Executive, Non-Independent / Promoter Director)	20	20
Rajan B. Raheja	Non-Executive, Non-Independent / Promoter Director	20	20
S. J. Taparia	Non-Executive, Non-Independent	20	20
Ameeta Parpia	Non-Executive, Independent	20	19

During the year under review, the Company received 1429 complaints including complaints through the Stock Exchanges (BSE/NSE) and the Securities and Exchange Board of India (SEBI) through SCORES portal and were resolved appropriately within due period. There were no pending complaints as on March 31, 2024.

## 7. FINANCE COMMITTEE:

The Company has constituted an independent Finance Committee comprising of its Directors.

### (I) Brief Description of the terms of reference

- Borrowing(s) of money (including fund based and non-fund based) from banks or any other source including temporary loans;
- Authorisation for creation of security on the Company's assets to secure the borrowings;
- Authorisation to invest temporary surplus funds in money market investments and delegate financial powers for approved capital expenditure;
- Opening/Closing of bank accounts and authorise officials of the Company for operation of bank accounts;
- Signing documents for seeking registrations, sign invoices/returns/document and deed etc.;
- Fix bank wise limits for availing forward cover facilities for FOREX transactions and
- To deal with any Package Scheme of Incentives related to Schemes announced by Central Government / State Government or any other Government / Semi Government Authorities.

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

During the year under review the Finance Committee met on 5 occasions i. e. April 14, 2023, June 9, 2023, September 18, 2023, October 25, 2023 and February 7, 2024. The Company Secretary of the Company acts as the Secretary to the Committee.

The composition of the Finance Committee and the details of the meetings attended by its members during the financial year ended March 31, 2024, are as under:

Members	Category of Membership	Meetings held	Meetings Attended
M. P. Taparia	Chairperson (Non-Executive, Non-Independent / Promoter Director)	5	5
Rajan B. Raheja	Non-Executive, Non-Independent / Promoter Director	5	5
B. L. Taparia	Non-Executive, Non-Independent	5	2
S. J. Taparia	Non-Executive, Non-Independent	5	4
Ameeta Parpia	Non-Executive, Independent	5	5

## 8. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

The Company has constituted Corporate Social Responsibility Committee (CSR) in terms of Section 135 of Companies Act, 2013.

### (I) Brief Description of the terms of reference

- To formulate and recommend to the Board CSR Policy in terms of Schedule VII to the Companies Act, 2013;
- To recommend the amount of expenditure to be incurred on the CSR activities referred to in clause (a) above every year and



- c) To monitor the CSR activities/projects undertaken and review of CSR Policy of the Company from time to time, whenever required.

The Board has adopted the CSR Policy as recommended by the Committee. The CSR Policy is available on the website of the Company at URL: <https://supremepetrochem.com/pdf/Corporate-Social-Responsibility-Policy.pdf>

**(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 26, 2023 and January 18, 2024. The Company Secretary of the Company acts as the Secretary to the Committee.

The composition of the CSR Committee and the details of the meetings attended by its members during the financial year ended March 31, 2024 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 Company has constituted Risk Management Committee of the Company in terms of Regulation 21 of the Listing Regulations.

**(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 reviewed its Risk Management Policy on April 27, 2022 in line with the Regulation 21 of Listing Regulations 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.

The role of the Committee is as below:

- To formulate a detailed risk management policy which shall include:
  - 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.
  - Measures for risk mitigation including systems and processes for internal control of identified risks.
  - Business continuity plan.
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- The appointment, removal and terms of remuneration of the Chief Risk Officer shall be subject to review by the Risk Management Committee.

The Risk Management Committee performs its functions under the overall supervision of the Board of Directors of the Company.

**(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 2 - occasions i.e. September 05, 2023 and February 29, 2024. Requisite quorum was present at the Meetings. The Company Secretary of the Company acts as the Secretary to the Committee.

The composition of the Risk Management Committee and the details of the meetings attended by its members during the financial year ended March 31, 2024, 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 Director	2	2
R. Kannan	Non-Executive, Independent Director	2	2
N. Gopal	Manager	2	2
Rakesh Nayyar	CFO	2	2

**10. PROJECT COMMITTEE:**

The Company has constituted a Project Committee to perform project related functions of the Company under the overall supervision of its Board of Directors.

**(I) Brief Description and 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 meets in relation to new projects, investments planned exceeding the threshold limit fixed and also to review the ongoing projects, whenever required.

During the year under review the Project Committee comprised of the following Directors and Senior Executives met on 1 occasion i.e. January 12, 2024. The Company Secretary of the Company acts as the Secretary to the Committee.

The composition of the Project Committee and the details of the meetings attended by its members during the financial year ended March 31, 2024 are as under:

Members	Category of Membership	Meetings held	Meetings Attended
M. P. Taparia	Chairperson (Non-Executive, Non-Independent / Promoter Director)	1	1
M. S. Ramachandran	Non-Executive, Independent	1	1
R. Kannan	Non-Executive, Independent	1	1
Rajeev Pandia	Non-Executive, Independent	1	1
N. Gopal	Manager	1	1
Rakesh Nayyar	CFO	1	1
K. V. Mujumdar	Whole Time Director	1	1

**11. PARTICULARS OF SENIOR MANAGEMENT PERSONNEL AND CHANGES SINCE THE CLOSE OF FINANCIAL YEAR**

Name of the Senior Management Personnel (SMP)	Designation	Changes if any, during the year 2023-24 (Yes/No)	Nature of Change and effective date
N. Gopal	Executive Director (Styrenics) & Manager	No	–
Rakesh Nayyar	Executive Director (Finance & Corporate Affairs) & CFO	No	–





<b>Name of the Senior Management Personnel (SMP)</b>	<b>Designation</b>	<b>Changes if any, during the year 2023-24 (Yes/No)</b>	<b>Nature of Change and effective date</b>
K.V. Mujumdar	Whole Time Director (Operations)	No	–
R. Rangarajan	Sr. Vice President ((Marketing)	No	–
S.K. Rastogi	Vice President (Marketing PS)	No	–
V.T. Nandakumar	Vice President (Commercial)	No	–
S. Balashankar	Asst. Vice President (Marketing )	Yes	Vice President 27.10.2023
Dilip Deole	Head (Accounts & Finance)	No	–
Devdas Balachandran	Head (EXIM)	No	–
D.P. Somani	Dy. Chief Executive (Commercial)	No	–
D. N. Mishra	Sr. General Manager (Legal) & Company Secretary	No	–
Hemant Pandit	Sr. General Manager (Systems)	No	–
R.P. Shinde	General Manager (Corporate HR & IMS)	No	–
Shantanu Gite	General Manager (Projects)	No	–

**12. MATERIAL SUBSIDIARY COMPANY:**

The Company does not have any material subsidiary or subsidiary company; hence it has not laid down any policy for determining material subsidiaries.

**13. 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

**14. COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK & HEDGING ACTIVITIES:**

International pricing and demand/ supply risk are inherent to 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 hedges part of the foreign exchange risk by using appropriate hedging products. The Company, to some extent, is also hedged against the said risk by way of export receivables. Sales linked to raw material prices also provide hedge to the extent of volumes sold under this method. There is no direct hedging available for the main raw material of Company viz. Styrene Monomer.

**15. 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 reaffirmed Long-Term rating at CRISIL AA-/Stable and Short-Term rating 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-/Stable/IND A1+ with Stable Outlook and Short-Term rating at IND AA-/Stable/IND A1+ with Stable Outlook for Company's Fund and Non-Fund based Working Capital Facilities from Banks.

**16. GENERAL BODY MEETINGS:**

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

The last three AGMs of the Company were held as under:

Year	Location	Date	Time	Special Resolutions Passed	
2020-2021	32nd	Meeting held through Video Conferencing (VC)/ Other Audio-Visual Means ("OVAM")	01.07.2021	4.30 p.m.	Yes
2021-2022	33rd	Meeting held through Video Conferencing (VC)/ Other Audio-Visual Means ("OVAM")	02.08.2022	4.00 p.m.	Yes
2022-2023	34th	Meeting held through Video Conferencing (VC)/ Other Audio-Visual Means ("OVAM")	04.07.2023	4.00 p.m.	Yes

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

AGM	Financial Year	Date	Venue/Mode	Brief Description of Special Resolutions
32	2021	July 01, 2021	Registered Office through video conferencing / other audio-visual means	<ul style="list-style-type: none"> <li>Reappointment of Shri B. L. Taparia - Non-Executive, Non-Independent Director of the Company, pursuant to the provisions of Section 17 (1A) of Listing Regulations for having exceeded 75 years of age.</li> <li>Reappointment 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.</li> <li>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.</li> <li>Approval pertaining to related party transactions pursuant to the provisions of Section 188 of the Companies Act, 2013.</li> </ul>
33	2022	August 02, 2022	Registered Office through video conferencing / other audio-visual means	<ul style="list-style-type: none"> <li>Reappointment of Shri M. P. Taparia - Non-Executive, Non-Independent / Promoter Director of the Company, pursuant to the provisions of Section 17 (1A) of Listing Regulations for having exceeded 75 years of age.</li> <li>Reappointment of Shri S. J. Taparia - Non-Executive, Non-Independent Director of the Company, pursuant to the provisions of Section 17 (1A) of Listing Regulations for having exceeded 75 years of age.</li> </ul>
34	2023	July 4, 2023	Registered Office through video conferencing / other audio-visual means	<ul style="list-style-type: none"> <li>Reappointment of Shri B. L. Taparia - Non-Executive, Non-Independent Director of the Company, pursuant to the provisions of Section 17 (1A) of Listing Regulations for having exceeded 75 years of age.</li> </ul>

(a) No special resolution was passed through Postal Ballot during the Financial Year 2023-24. None of the resolutions proposed for the forthcoming AGM needs to be passed through Postal Ballot.

**17. MEANS OF COMMUNICATION:****(a) Financial Results**

Shareholders are intimated, through the media/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 and Pudhari, as the case may be. Announcement to Stock Exchanges is 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 Financial Year 2023-24 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/ Investors Meet**

4 (Four) Investor meets/analysts were conducted on 27.04.2023, 31.07.2023, 31.10.2023 and 23.01.2024 during F.Y. 2023-24.

**(d) Investor Presentations/Earning Presentations**

The Company submits on quarterly/annually basis the earning presentation(s)/investor presentation(s) to the stock exchanges (BSE/NSE) and also uploads on its website to keep the shareholders and others stakeholders posted about its financial performance and other related developments etc.

**(e) Communication related to dividend and updation of records**

The Company issues reminder letters to Stakeholders from time to time whose dividend is outstanding and those whose shares are liable to transfer to IEPF in terms of IEPF regulations as applicable. The Company has also issued letters to the shareholders asking to update their KYC, etc.

**18. GENERAL INFORMATION FOR SHAREHOLDERS:**

<b>I</b>	<b>Annual General Meeting</b>	Thursday, July 04, 2024
<b>II</b>	<b>Time</b>	4.00 p.m.  Pursuant to the General Circular No. 09/2023 dated September 25, 2023, issued by the Ministry of Corporate Affairs (MCA) and Circular SEBI/HO/CFD/PoD-2/P/CIR/2023/167 dated October 7, 2023 issued by SEBI (hereinafter collectively referred to as "the Circulars"), companies are allowed to hold AGM through VC, without the physical presence of members at a common venue. Hence, in compliance with the said Circulars, the AGM of the Company is being held through VC/OAVM.
<b>III</b>	<b>Period under review</b>	April 1, 2023 to March 31, 2024
<b>IV</b>	<b>Date of Book Closure</b>	Friday, June 28, 2024 to Thursday, July 4, 2024 (both days inclusive)
<b>V</b>	<b>Dividend Payment Date</b>	The Dividend, if declared at AGM, will be paid on or after July 24, 2024
<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  (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 2024-25 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 2024-25 has been paid to CDSL and NSDL.



**IX Market Price Data, High and Low during each month in the Financial Year 2023-24:**

(In ₹)

Year Month / Year	BSE Limited		The National Stock Exchange of India Ltd.	
	High	Low	High	Low
April 2023	394.95	362.05	390.00	363.00
May 2023	391.20	353.30	391.30	354.55
June 2023	488.35	357.25	489.00	357.05
July 2023	459.95	414.20	460.00	409.00
August 2023	497.00	428.00	496.90	428.05
September 2023	503.45	450.05	502.90	421.00
October 2023	617.65	480.05	618.00	478.50
November 2023	599.15	545.45	599.90	551.10
December 2023	579.30	539.25	580.00	536.10
January 2024	611.90	522.00	612.00	521.25
February 2024	782.80	585.60	783.00	584.95
March 2024	756.35	587.20	757.80	586.50

**X Comparison with Indices:**

	April 2023 Opening	March 2024 Closing	% Rise (Fall)
BSE Sensex	59131.16	73651.35	24.56
NSE Nifty	17533.85	22326.90	27.24
SPL Shares BSE	363.00	622.95	71.61
SPL Shares NSE	370.30	623.00	68.24

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

Sr. No.	Name of the Depository	ISIN Number
1	National Securities Depository Limited	INE663A01033
2	Central Depository Services (India) Limited	INE663A01033

**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 and Dividend Remittance System:**

In terms of Regulation 40(1) of SEBI Listing Regulations, as amended, 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.

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.

The 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 purpose of 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 members of Company, as per SEBI Circular dated 17.11.2023 should note that no dividend warrant will be despatched to the Members w.e.f. April 1, 2024 for payment of dividend, if any, if they have not completed their KYC with the Company or its RTA or respective depositories and in such a case, the unpaid dividend amount will be transferred to the Unpaid



Dividend Account of the Company opened with any scheduled bank in terms of applicable provisions of the Listing Agreement or Companies Act, 2013, as may be applicable. Such member(s), however, will get a notification from the Company about status of their KYC and post completion of the same, their unpaid dividend(s) amount will be released directly to the bank account(s) of respective member(s) electronically only.

**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 98.77% Equity Shares out of the total 188041342 equity shares issued by the Company stands dematerialized up to March 31, 2024.

**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 Share Transfer Agent, KFin Technologies Limited (KFIN) extend their assistance to the shareholders of the Company through their investor service offices situated at Ahmedabad, Bengaluru, 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 member(s) can download the mobile app and see their portfolio(s) serviced by KFIN like Dividend status, request for annual reports, change of address, change / update Bank mandate and download standard forms, etc. 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 3.00 p.m. between Monday to Friday (except Company holidays) or write to:

Contact Person	Address	Contact Details
Shri D. N. Mishra Company Secretary	Secretarial Department, Supreme Petrochem Ltd,	Tel No.: 022 - 67091900 / 66935927 E-mail: <a href="mailto:investorhelpline@spl.co.in">investorhelpline@spl.co.in</a> Website: <a href="http://www.supremepetrochem.com">www.supremepetrochem.com</a>
Ms. Jean Bhandary Secretarial Department	Solitaire Corporate Park, Building No. 11, 5th Floor, 167, Guru Hargovindji Marg, Andheri- Ghatkopar Link Road, Chakala, Andheri (East), Mumbai – 400093	
Ms. Soni Yadav Secretarial Department		

OR

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

**XIII Distribution of Shareholding (As on March 31, 2024):**

No. of Equity Shares Held	No. of Shareholders	% of Shareholders	No. of Shares	% of Shareholding
1 – 5000	45855	97.92	14235685	7.57
5001 – 10000	428	0.91	3184187	1.69
10001 – 20000	229	0.49	3294701	1.75
20001 – 30000	92	0.20	2322929	1.24
30001 – 40000	48	0.10	1703530	0.91
40001 – 50000	30	0.07	1358375	0.72
50001 – 100000	58	0.12	4304495	2.29
100001 and above	91	0.19	157637440	83.83
<b>TOTAL</b>	<b>46831</b>	<b>100.00</b>	<b>188041342</b>	<b>100.00</b>



**XIV Categories of Shareholders (As on March 31, 2024):**

Sr. No.	Category	No. of Shareholders	No. of Shares held	% of Shareholding
1	Promoters	12	120803200	64.24
2	Mutual Funds, Alternate Investment Fund	7	4873726	2.59
3	Foreign Portfolio Investors, Foreign Institutional Investors, Foreign Nationals	104	5451350	2.90
4	Non-Resident Indian, Non-Resident Indians Non-Repatriable	1716	1419408	0.75
5	Indian Public, HUF	44549	47694271	25.36
6	Domestic Bodies Corporate	431	4135867	2.20
7	IEPF	1	3586288	1.91
8	Others (Trust, Clearing Members, Banks, Indian Financial Institution)	11	77232	0.05
	<b>GRAND TOTAL</b>	<b>46831</b>	<b>188041342</b>	<b>100.00</b>

**XV Equity Shares in Suspense Account:**

	No. of Shareholders	No. of Shares
(a) Aggregate number of shareholders and outstanding shares lying in the Unclaimed Suspense Account at the beginning of the year	7	2468*
(b) No. of shareholders who approached the Company for transfer of shares from the Unclaimed Suspense Account during the year	1	400
(c) No. of shareholders to whom shares were transferred from Unclaimed Suspense Account during the year	1	400
(d) No. of shareholders and the outstanding shares which were transferred to IEPF during the year	0	0
(e) No. of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the end of the year*	6	2068

\* After split of shares in the ratio of 1:2

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 February 28, 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 URL: <https://supremepetrochem.com/download/sps-dividend-unpaid-register-for-the-year-final-2016-17.pdf>

The details of the shares already transferred to IEPF are also uploaded on the Company's website, as aforesaid.

The concerned shareholder(s), holding share(s) in physical form and whose share(s) are liable to be transferred to IEPF Account may note that the Company would be issuing duplicate share certificate(s) in lieu of such 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 are registered in the name of member(s) 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 de-mat 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 Rules governing the same, 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/process thereof as 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@kfintech.com](mailto:einward.ris@kfintech.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 - 600103.

**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.

**19. 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 2023-24. 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 No. 45 of Annual Financial Statement). However, these transactions are not likely to have any potential conflict with the interest of the Company 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 at URL: <https://supremepetrochem.com/download/policy-on-materiality-of-related-party-transaction-and-on-dealing-with-related-party-transaction.pdf>

**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**

The Company has complied with the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters related to the capital markets during the last three years and there were no instances of non-compliance or imposing penalty on Company by SEBI/MCA or any other statutory or regulatory authority during the year under review.

**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 and/or violation of company policy(ies) etc., by any stakeholder or employee/personnel of the Company. No stakeholder or employee/personnel has been denied access to the Audit Committee or its Chairperson in case of any such requirements raised by them.

**f. Disclosures as required under Schedule V(C) (10)(I) 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 2023-24 amounts to ₹ 30.43 lakhs for all the services rendered by them to the Company.**

- h. The Company has complied with the mandatory requirements of the Listing Regulations relating to Corporate Governance, as applicable to the Company. The status of compliances thereof including the non-mandatory requirements are as under:

For Discretionary Requirements as per Regulation 27(1) of the Listing Regulation 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			
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	38
	(b)		No. of hours spent by Independent Directors in such programmes (during the year and on a cumulative basis till date)	During the year	5
				Cumulative	32.05

**(i) Disclosure of certain types of agreements binding listed entities**

There are no such agreements which require disclosure under clause 5A of Schedule III of Listing Regulations.

**20. MANAGEMENT DISCUSSION AND ANALYSIS:**

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

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

**(Issued in accordance with the provisions of Regulation 17(8) of the Listing Regulations)**

- A. We have reviewed the financial statements and the cash flow statement for the Financial Year 2023-24 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 24, 2024.

## **22. CERTIFICATE RELATED TO CORPORATE GOVERNANCE COMPLIANCE DURING FINANCIAL YEAR 2023-24 AND DIRECTOR'S DISQUALIFICATION/DEBARMENT:**

A Certificate issued by M/s. Parikh & Associates, Practicing Company Secretaries for compliances of corporate governance provisions applicable to the Company is annexed herewith vide Annexure A.

Another 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 the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority is also annexed herewith vide Annexure B.

## **23. GREEN INITIATIVE**

Pursuant to Section 101 and 136 of the Act read with the Companies (Management and Administration) Rules, 2014 and Companies (Accounts) Rules, 2014 and Regulation 36 of Listing Regulations, the Company is entitled to send Notice of Annual General Meeting, Financial Statements and other communication in electronic form.

Your Company is sending the Annual Report including the Notice of Annual General Meeting, Audited Financial Statements, Board's Report alongwith their Annexures etc. for the Financial Year 2023-24 in electronic mode to the Shareholders who have registered their email address with the Company's Registrar and Transfer Agents - KFIN Technologies Limited (KFIN) or their respective Depository Participant (DPs).

Shareholders who have not registered their email address so far are requested to register their email address at the earliest. Those holding shares in Demat Form can register their email address with their concerned DPs. Shareholders who hold shares in physical form are requested to register their email address with the Company/ Kfin (RTA) by sending a letter duly signed by the first/ sole holder quoting details of Folio No.

For and on behalf of the Board

Place: Mumbai  
Date: April 24, 2024

**M. P. Taparia**  
Chairperson  
(DIN 00112461)

**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, 2024, as stipulated under Regulations 17 to 27, clauses (b) to (i) and (t) 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 best of our information 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, 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, 2024.

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**  
FCS No: 6484 CP No: 6994  
UDIN: F006484F000227562  
PR No.: 1129/2021

Mumbai, April 24, 2024



**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, 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, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

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.

\*\* Mr. Kiran Vasant Mujumdar was appointed as an Additional Director and Whole Time Director of the Company effective September 19, 2020 and the said appointment was approved by the Shareholders at the Annual General Meeting held on July 01, 2021.

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: F006484F000227617  
PR No.: 1129/2021

Mumbai, April 24, 2024



## Annexure I

### BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING FORMAT

#### FOREWORD

As we stand at the brink of a new year, Supreme Petrochem Limited is proud to present its Business Responsibility and Sustainability Report (BRSR) for the financial year 2023-24. SPL endeavours to adopt and incorporate ESG practices into its system and align with the disclosure requirements of the BRSR. SPL is publishing BRSR for financial year 2023-24 to confirm its commitment on ESG. With an aim to create value for all its stakeholders, SPL has adopted a holistic approach to ensure a well-rounded performance for the organization, not only in terms of financial performance but also in its ESG practices. 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. The Company aims to continue strengthening its ESG efforts with each passing year to accelerate the embedding of sustainability in its business ecosystem to place SPL on a positive trajectory with regards to achieving sustainability across all operations. SPL strives to continue its business operations across the value chain in an ethical, responsible, and sustainable manner.

**(M. P. TAPARIA)**

Chairperson



**SECTION A: GENERAL DISCLOSURES**

**I. DETAILS OF THE LISTED ENTITY**

Sr.	Particulars	Details						
1.	Corporate Identity Number (CIN) of the Listed Entity	L23200MH1989PLC054633						
2.	Name of the Listed Entity	Supreme Petrochem Limited (SPL)						
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	<i>Investorhelpline@spl.co.in</i>						
7.	Telephone	+91 22 67091900						
8.	Website	<i>https://www.supremepetrochem.com</i>						
9.	Financial year for which reporting is being done	2023-24						
10.	Name of the Stock Exchange(s) where shares are listed	BSE Limited (BSE) National Stock Exchange of India Limited (NSE)						
11.	Paid-up Capital	₹ 37,60,82,684.00						
12.	Contact Person							
	Name of the Person	Shri K. V. Mujumdar, Director (Operations)						
	Telephone	02194-224500						
	Email address	kv_mujumdar@spl.co.in						
13.	Reporting Boundary							
	Type of Reporting- Select from the Drop-Down List	Disclosures made in this report are on standalone basis and pertain to Supreme Petrochem Limited only						
	If selected consolidated:	<table border="1"> <thead> <tr> <th>Sr.</th> <th>Name of the Subsidiaries/JVs/Associate Companies</th> <th>CIN Number</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>Not Applicable</td> <td>NA</td> </tr> </tbody> </table>	Sr.	Name of the Subsidiaries/JVs/Associate Companies	CIN Number	1.	Not Applicable	NA
Sr.	Name of the Subsidiaries/JVs/Associate Companies	CIN Number						
1.	Not Applicable	NA						
14.	Name of Assurance provider	Not Applicable						
15.	Type of Assurance obtained	Not Applicable						

**II. PRODUCTS/SERVICES:**

16.	Details of business activities	Sr.	Description of Main Activity	Description of Business Activity	Percentage Turnover of the Entity
		1	Manufacturing	Manufacturing of Petrochemical Downstream Products	75.87%
		2	Trading	Trading of Raw Materials	24.13%

17.	Products/ Services sold by the entity	Sr.	Product/Service	NIC Code	Percentage of Total Turnover contributed
		1	Polystyrene, Expandable Polystyrene, Extruded Polystyrene, Master Batches and Polymer Compounds	201	75.87%

III. OPERATIONS:

18.	Number of locations where plants and/or operations/offices of the entity are situated:	Location	Number of plants	No. of Offices	Total
		National	2	4	6
		International	NA	NA	NA
19.	Market served by the entity	Locations	Numbers		
	a. No. of Locations	National (No. of States)	Pan-India		
		International (No. of Countries)	100		
	b. What is the contribution of exports as a percentage of the total turnover of the entity?	9.6%			
c.	A brief on types of customers	<p>Operating in the Business to Business (B2B) sector, SPL primarily collaborates with Original Equipment Manufacturers (OEMs) and manufacturing companies. The array of industries that the Company provides services to includes:</p> <ul style="list-style-type: none"> <li>Original Equipment Manufacturers of air conditioning units, refrigerator components, and washing machine parts.</li> <li>Producers of air cooler casings, water heater/geyser shells, cutlery goods, dairy products, TV and computer components, office supplies, imitation jewellery, padding packaging for electronic and electrical devices, packaging for fish, fruits, vegetables, pharmaceuticals, blocks and sheets for false ceilings and so forth.</li> </ul>			

IV. EMPLOYEES:

20. Details as at the end of Financial Year:

Sr. No.	Particulars	Total	Male		Female	
		(A)	No. (B)	% (B/A)	No. (C)	% (C/A)
<b>a. Employees and workers (including differently abled)</b>						
<b>Employees</b>						
1	Permanent Employees (A)	420	396	94%	24	6%
2	Other than Permanent Employees (B)*	14	14	100%	0	0%
3	<b>Total Employees (A+B)</b>	<b>434</b>	<b>410</b>	<b>94%</b>	<b>24</b>	<b>6%</b>
<b>Workers</b>						
4	Permanent (C)	0	0	0%	0	0%
5	Other than Permanent (D)*	255	245	96%	10	4%
6	<b>Total Workers (C+D)</b>	<b>255</b>	<b>245</b>	<b>96%</b>	<b>10</b>	<b>4%</b>
<b>b. Differently abled employees and workers</b>						
<b>Employees</b>						
7	Permanent Employees (E)	0	0	0	0	0
8	Other than Permanent Employees (F)	0	0	0	0	0
9	<b>Total Employees (E+F)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Workers</b>						
10	Permanent (G)	0	0	0	0	0
11	Other than Permanent (H)	0	0	0	0	0
12	<b>Total Differently Abled Employees (G+H)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



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

Sr.	Category	Total (A)	No. and Percentage of females	
			No. (B)	Percentage (B/A)
1	Board of Directors	10	1	10%
2	Key Management Personnel	4	0	0%

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

Category	FY 2023-24 (Turnover rate in current FY)			FY 2022-23 (Turnover rate in previous FY)			FY 2021-2022 (Turnover rate in the FY prior to previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
	Permanent Employees	10%	13%	10%	9%	8%	9%	10%	13%
Permanent Workers	0	0	0	0	0	0	0	0	0

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

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

Sr.	Name of the holding/ Subsidiary/Associate Companies/Joint Ventures	Indicate whether it is a holding/Subsidiary/ Associate Companies/ Joint Ventures	Percentage 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)
SPL does not have any holding, subsidiary, associate companies, or joint ventures.				

**VI. CSR DETAILS**

<b>24. a. Whether CSR is applicable as per section 135 of Companies Act, 2013:</b>	Yes
<b>Turnover (in Rs.)</b>	5,25,334.48 (Lakhs)
<b>Net worth (in Rs.)</b>	2,01,911.27 (Lakhs)

**List of activities in which expenditure for above has been incurred:**

1. Activities associated with provision of building and infrastructure for primary health centre for neighbouring village.
2. Construction of school building for neighbouring village and large scale educational activity in the State of Rajasthan.
3. Provision of E-learning facilities for schools in nearby area and distribution of stationary to students.
4. Setting up Anganwadis in nearby villages.
5. Providing public toilets in neighbouring villages.
6. Construction of a Grampanchayat Building and an old age home.
7. Environment sustainability related activities including e-waste collection & recycling, etc.
8. Medical support to patients suffering from cancer and paraplegics.
9. Providing gymnasium equipment in nearby communities.
10. Contribution for health care, mid-day meal, youth skilling and educational support, etc.

**VII. TRANSPARENCY AND DISCLOSURES COMPLIANCES**

SPL's Code of Conduct, together with its Vigil Mechanism and Whistle-blower Policy, encapsulate the Company's ethics, fundamental values, principles of integrity, conflict of interest resolution and grievance handling system, supervised by the Board of Directors and top management. The Vigil Mechanism furnishes an avenue for all stakeholders to report any real or possible improprieties. The Company's procedures for dealing with grievances can be found at:

- <https://supremepetrochem.com/download/BRSR-Policy.pdf>
- <https://supremepetrochem.com/download/vigil-mechanism-whistle-blower-policy.pdf>
- <https://supremepetrochem.com/wp-content/uploads/2024/06/CODE-OF-CONDUCT-AND-ETHICS.pdf>

Due to the Company's fundamental values and consistent ethical conduct, there were no complaints or grievances from any stakeholders concerning issues such as child labour, forced labour, corruption, bribery, safety concerns, etc. during the FY 2023-24.



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

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)  <i>(If Yes, then provide web-link for grievance redressal policy)</i>	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
		Number of complaints		Remarks	Number of complaints		Remarks
		filed during the year	pending resolution at close of the year		filed during the year	pending resolution at close of the year	
Communities	Yes	0	0	–	0	0	–
Shareholders	Yes	0	0	–	0	0	–
Investors (other than shareholders)	Yes	0	0	–	0	0	–
Employee and Workers	Yes	1	0	–	0	0	–
Customers	Yes	0	0	–	0	0	–
Value Chain Partners	Yes	0	0	–	0	0	–

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

Material Issue Identified	Indicate whether risk or opportunity	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity <i>(Indicate positive or negative implications)</i>
Occupational Health and Safety (OHS) and Environment	Risk and Opportunity	<p><b>Risk:</b> Being manufacturer of petrochemical products, health and safety is an inherent risk. Failure to adhere to established safety protocols could adversely affect both our operational efficiency and our reputation.</p> <p><b>Opportunity:</b> Robust governance and a comprehensive internal control system are instrumental in enhancing employee/ workers safety and overall health well-being. This, in turn, leads to enhanced productivity and sustainability.</p>	<p>Proactive assessment of health and environmental risks adopting various methods such as Hazard Identification and Risk Assessment (HIRA), Hazard Operability (HAZOP), Quantitative Risk Assessment (QRA), Preliminary Hazard Analysis (PHA), Job Safety Analysis (JSA), Environmental Impact Assessment (EIA).</p> <p>Formulating suitable corrective action plans and executing strategies for the application of proper risk mitigation measures, corrective interventions, and grievance resolution mechanisms.</p>	<p><u>Risk:</u> Negative <u>Opportunity:</u> Positive</p>





<b>Material Issue Identified</b>	<b>Indicate whether risk or opportunity</b>	<b>Rationale for identifying the risk/opportunity</b>	<b>In case of risk, approach to adapt or mitigate</b>	<b>Financial implications of the risk or opportunity (Indicate positive or negative implications)</b>
Business Ethics, Compliance, and Governance	Risk and Opportunity	<p><u>Risk:</u> Non-compliance with regulatory and legal requirements can lead to disruptions to the continuity of business operations and loss of reputation.</p> <p><u>Opportunity:</u> Adhering to legal and regulatory standards in a timely and prompt manner can foster a culture of ethical conduct throughout the organization and helps in ensuring sustainability of the business.</p>	<p>SPL has established a strong internal committee, consisting of key managerial personnel, is in place, tasked with the responsibility and accountability to guarantee efficient, prompt and suitable adherence to regulatory and legal requirements.</p> <p>To remain updated with changes in regulations and obligatory requirements as dictated by law, the Company makes suitable modifications within internal systems and controls to incorporate and conform to these alterations.</p>	<p>Risk: Negative Opportunity: Positive</p>
Employee Well-being	Opportunity	<p>Fostering employee well-being, satisfaction, growth, holistic development and providing incentives helps in nurturing a trustworthy and loyal workforce leading to enhanced productivity.</p>	–	Positive
Waste Management	Risk and Opportunity	<p><u>Risk:</u> Risk associated with improper storage, treatment or disposal of waste.</p> <p><u>Opportunity:</u> Effective waste management to enhance circularity and reduce costs.</p>	<p>Hazardous waste produced during the process is securely stored, monitored and scientifically disposed through a Common Hazardous Waste Treatment, Storage and Disposal Facility sanctioned by the State Pollution Control Board.</p> <p>A formalized procedure for the management and handling of process-generated waste is actively employed.</p>	<p>Risk: Negative Opportunity: Positive</p>



Material Issue Identified	Indicate whether risk or opportunity	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity <i>(Indicate positive or negative implications)</i>
Water Stewardship	Opportunity	Reducing water footprint by maximizing water use, minimizing water loss, repurposing water and utilizing treated waste water for landscaping or on-site applications.	Ensure reduction in consumption of water by processing the effluent produced using an effluent treatment plant and by recycling water via a Zero Liquid Discharge (ZLD) system.	Negative. Even though financial implication of implementing the zero liquid discharge scheme is negative, it will help in recycling of water and conservation of the scarce natural resource which will have a positive impact on the environment.
Human Rights	Risk	Failure to comply with human rights standards and regulations may incur monetary fines and negatively impact the enterprise, investor confidence and employee morale.	Delve deep in gauging the key Human Rights elements, critical to Company and business operations- set up strong internal controls, systems and mechanisms in place to effectively and in timely manner address risk, challenges and threats (if any).	Risk: Negative
Risk Management and Cyber security	Risk	Lack of efficient risk management practices might lead to operational inefficiencies, disruption of business, resulting in financial losses and lower brand value.	Oversight of risk management at the board level, coupled with an extensive Enterprise Risk Management (ERM) initiative, ensures the prompt identification of both actual and potential risks and opportunities; it also facilitates the development of feasible mitigation measures to address these issues.  Cross-functional interactions along with risk management committee, ensures timely remedial actions on the identified risks.	Risk: Negative



<b>Material Issue Identified</b>	<b>Indicate whether risk or opportunity</b>	<b>Rationale for identifying the risk/opportunity</b>	<b>In case of risk, approach to adapt or mitigate</b>	<b>Financial implications of the risk or opportunity (Indicate positive or negative implications)</b>
Energy Management	Opportunity	Optimising energy management practices by utilizing alternate energy sources, minimizing reliance on energy from fossil fuel resources for power needs and implementing solutions that enhance energy efficiency.	–	Positive
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
Community Development	Opportunity	Expanding the scope of corporate responsibility and engaging in comprehensive community development leads to elevate brand reputation as an organization with social awareness.	–	Positive
Customer Education and Awareness	Opportunity	Driving sustainable and responsible consumption by providing the customers/ consumers with appropriate and adequate information and guidelines to create a strong customer/ consumer loyalty base.	–	Positive



**SECTION B: MANAGEMENT AND PROCESS DISCLOSURES**

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Policy and Management Processes</b>									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes, the policies have been reviewed and approved by the Board of Directors								
c. Web Link of the Policies, if available	Policies are uploaded on the website of the Company at <a href="https://supremepetrochem.com/download/BRSR-Policy.pdf">https://supremepetrochem.com/download/BRSR-Policy.pdf</a>								
2. Whether the entity has translated the policy into procedures. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	No	No	No	No	No	No	No	No	No
4. Name of the national and international codes/certifications/labels/standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) 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.	-	-	-	-	-	-	-	-	-
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	By implementing different strategies, such as using energy-efficient motors, implementing variable frequency drives for specific equipment and replacing existing luminaires with LED based luminaires, energy savings of 2,03,390 kWh - accounting for 102% of the 2,00,000 kWh target - was achieved.								

**Governance, Leadership and Oversight**

7. Statement by Director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements:									
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Shri K. V. Mujumdar Director (Operations) Tel No: 02194-224500 E-Mail ID: kv_mujumdar@spl.co.in								
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.	At SPL, ESG facets are supervised by the respective heads of departments who collaborate to make joint decisions aimed at enhancing sustainable development across the organization. The board reviews these updates, as necessary.								

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

	P1	P2	P3	P4	P5	P6	P7	P8	P9
Indicate whether review was undertaken by Director/Committee of the Board/Any other Committee									
Performance against above policies and follow up action	The Board of Directors and Key Management Personnel (KMPs) have reviewed the policies. Further, they assess performance and identify areas for improvement and taking corrective action, whenever needed.								



	P1	P2	P3	P4	P5	P6	P7	P8	P9
Compliance with statutory requirements of relevance to the principles and rectification of any non-compliances	SPL adheres to both the spirit and letter of the law, maintaining a high level of compliance with regulations as they apply.								
Frequency (Annually/Half yearly/Quarterly/Any other – please specify)									
Performance against above policies and follow up action	Annual review and need basis								
Compliance with statutory requirements of relevance to the principles and rectification of any non-compliances	SPL adheres to both the spirit and letter of the law, maintaining a high level of compliance with regulations as they apply.								

**11. Has the entity carried out independent assessment/evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.**

	P1	P2	P3	P4	P5	P6	P7	P8	P9
SPL has an internal review and evaluation system to assess the implementation of policies, identify any gaps and address those by implementing suitable solutions. Over time, the Company may engage an external agency to conduct policy evaluation and assessment.									

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

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

**SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE**

**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 programs on any of the NGRBC Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	Percentage of persons in respective category covered by the awareness programmes
Board of Directors	4	<p><u>Topics:</u></p> <ul style="list-style-type: none"> <li>• Overview of performance of all verticals of Company PS/ EPS/ XPS/ SPC and SM supply and price movements.</li> <li>• Expansion Projects status of PS/EPS/ABS at Manali and Amdoshi Plant locations of the Company and project cost/ outlay etc.</li> <li>• Impact of High Freight Cost on the transportation of goods globally due to attack by the sea-pirates on the cargo ships.</li> <li>• Cyber Crime, the effect and mitigation measures thereto adopted by the Company.</li> <li>• Review of risk emerging out of external environment viz. Ukraine and Russia conflict and supply chain disruptions, etc.</li> <li>• Extended Producer’s Responsibility (EPR) and CPCB directives, as applicable and impact thereof.</li> <li>• Structured Digital Database (SDD) in terms of SEBI (PIT) Regulations, 2015 for due compliances.</li> <li>• Details regarding new project proposed to be set-up at Munak Village, Karnal, Haryana including downstream projects.</li> </ul> <p><u>Impacts:</u></p> <p>Make the Board of Directors aware with the various risks of the Company, latest operational status and manufacturing activities, economic feasibility, business development and marketing position, expansion programme etc. of the Company.</p>	100%





Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	Percentage of persons in respective category covered by the awareness programmes
Key Managerial Personnel	5	<p><u>Topics:</u></p> <ul style="list-style-type: none"><li>• Overview of performance of all verticals of Company PS/ EPS/ XPS/ SPC and SM supply and price movements.</li><li>• Expansion Projects status of PS/EPS/ABS at Manali and Amdoshi Plant locations of the Company and project cost/ outlay etc.</li><li>• Impact of High Freight Cost on the transportation of goods globally due to attack by the sea-pirates on the cargo ships</li><li>• Cyber Crime, the effect and mitigation measures thereto adopted by the Company.</li><li>• Review of risk emerging out of external environment viz. Ukraine and Russia conflict and supply chain disruptions, etc.</li><li>• Extended Producer's Responsibility (EPR) and CPCB directives, as applicable and impact thereof.</li><li>• Structured Digital Database (SDD) in terms of SEBI (PIT) Regulations, 2015 for due compliances.</li><li>• Details regarding new project proposed to be set-up at Munak Village, Karnal, Haryana including downstream projects.</li></ul> <p><u>Impacts:</u></p> <p>Make the Key Managerial Persons aware with the various risks of the Company, latest operational status and manufacturing activities, economic feasibility, business development and marketing position, expansion programme etc. of the Company.</p>	100%
Employees other than BODs & KMPs	42	<p><u>Topics:</u></p> <ul style="list-style-type: none"><li>• Hazard Identification and Risk Assessment.</li><li>• Hazardous Chemicals Handling.</li><li>• Safety Inspections.</li><li>• Electrical Safety.</li><li>• Hazard Operability Study (HAZOP).</li><li>• Waste Handling and Management.</li><li>• Integrated Management System.</li><li>• Work Permit System, First Aid Drill.</li></ul> <p><u>Impacts:</u></p> <ul style="list-style-type: none"><li>• Improved competency amongst employees.</li><li>• Reduced accidents/incidents.</li><li>• Enhanced awareness towards waste management and subsequent reduction in impact on environment.</li><li>• Improved emergency preparedness and response.</li></ul>	100%

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	Percentage of persons in respective category covered by the awareness programmes
Workers	40	<p><u>Topics:</u></p> <ul style="list-style-type: none"> <li>Hazard Identification and Risk Assessment.</li> <li>Hazardous Chemicals Handling.</li> <li>Safety Inspections.</li> <li>Waste Handling and Management.</li> <li>Toolbox Talks.</li> <li>Integrated Management System.</li> <li>Work Permit System, First Aid Drill.</li> </ul> <p><u>Impacts:</u></p> <ul style="list-style-type: none"> <li>Improved competency amongst employees.</li> <li>Reduced risk of accidents/incidents.</li> <li>Enhanced awareness towards waste management and subsequent reduction in impact on environment.</li> <li>Improved emergency preparedness and response.</li> </ul>	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, in the following format.

**a. Monetary**

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

**b. Non-Monetary**

Type	NGRBC Principle	Name of the regulatory/enforcement agencies/judicial institutions	Amount (in INR)	Brief of the case	Has an appeal been preferred? (Yes/No)
Imprisonment	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA

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.

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 web-link to the policy.

SPL has established a Code of Conduct and a BRSR Policy. These policies include explicit provisions on anti-corruption and anti-bribery to uphold high compliance standards among its directors, key managerial personnel and employees at all levels. Thanks to these measures, no disciplinary actions have been taken against any director or employee of the Company in the past two fiscal years. The Policy regarding code of conduct is available at:

URL: <https://supremepetrochem.com/wp-content/uploads/2024/06/CODE-OF-CONDUCT-AND-ETHICS.pdf>



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

Category	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

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

Topic	FY 2023-24 (Current Financial Year)		FY 2022-23 (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 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 institutions, on cases of corruption and conflicts of interest.**

In line with its commitment to ethics and integrity, SPL has not incurred any fines, penalties, or actions from legislative or judicial bodies on issues of corruption or conflict of interest. Thus, no corrective measures have been necessary for such cases.

**8. Number of days of accounts payables ((Accounts payable \*365)/Cost of goods/services procured) in the following format:**

Category	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Number of days of accounts payables	66	64

**9. Open-ness of business**

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

Parameter	Metrics	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
<b>Concentration of Purchases</b>	a. Purchases from trading houses as percentage of total purchases	23.87%	34.35%
	b. Number of trading houses where purchases are made from	53	58
	c. Purchases from top 10 trading houses as percentage of total purchases from trading houses	94.43%	92.87%
<b>Concentration of Sales</b>	a. Sales to dealers/distributors as percentage of total sales	8.13%	8.41%
	b. Number of dealers/distributors to whom sales are made	16	15
	c. Sales to top 10 dealers/distributors as percentage of total sales to dealers/distributors	98.48%	98.14%
<b>Share of RPTs in</b>	a. Purchases/Consumptions (Consumption with related parties/Total Consumption)	0.03%	0.02%
	b. Sales (Sales to related parties/Total Sales)	2.68%	2.70%
	c. Loans & advances (Loans & advances given to related parties/Total loans & advances)	10.57%	10.10%
	d. Investments (Investments in related parties/Total Investments made)	NIL	NIL

**LEADERSHIP INDICATORS**

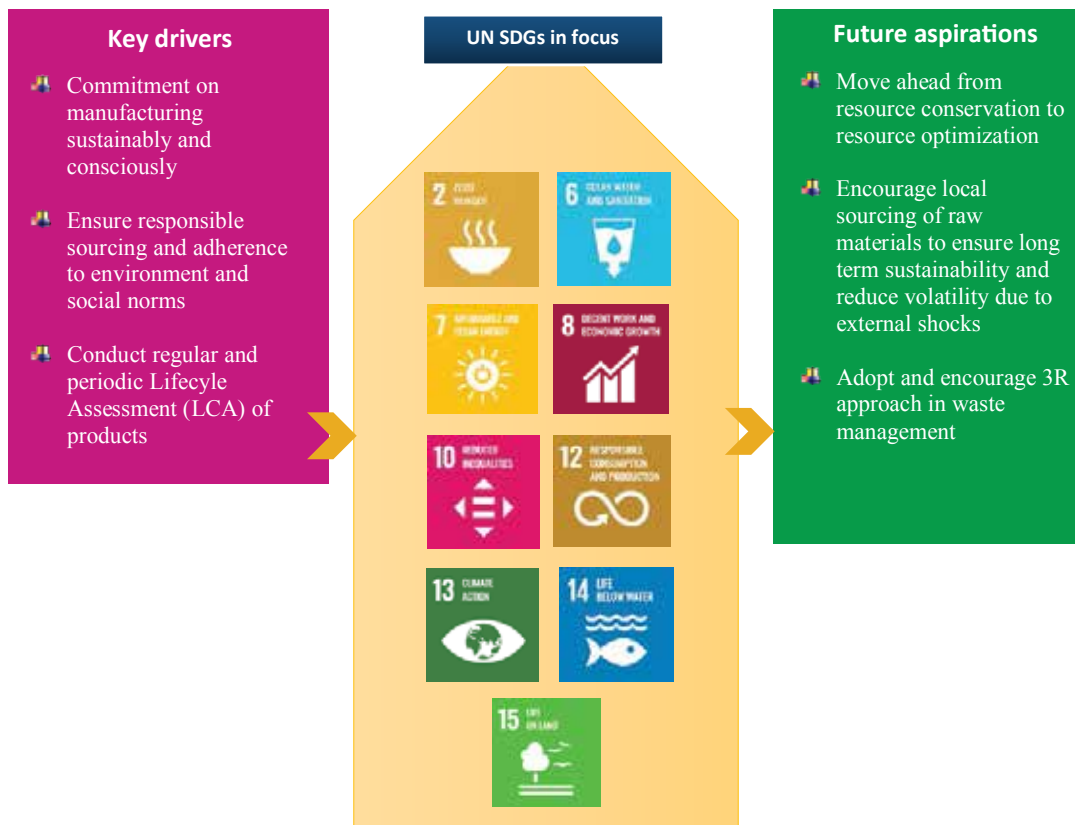
1. Awareness programmes conducted for value chain partners on any of the NGRBC Principles during the financial year:

Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	Percentage of persons in value chain covered by the awareness programmes
01	Safe Transportation of Hazardous Goods	Necessary training was imparted to 95% 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 system in place where any potential conflicts of interest involving board members are identified via annual disclosures. These members are then recused from any meetings or dealings with related party transactions and the compliance with the code of conduct is assessed annually.

**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.**

Type	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)	Details of improvement in social and environmental aspects
<b>Research &amp; Development (R&amp;D)</b>	0	0	NA
<b>Capital Expenditure (CAPEX)</b>	4.06%	15.15%	<ul style="list-style-type: none"> <li>Reduction in electrical energy consumption by 203 MWh in FY 2023-24</li> <li>Reduction in electrical energy consumption by 202 MWh in FY 2022-23</li> </ul> Overall, improvement in the environmental performance of plants in terms of energy savings, quality of treated effluent, emission control and workplace environment, etc.

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

Yes.

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

The Company integrates sustainability principles throughout the lifecycle of its products, starting from the procurement of raw materials to their transportation to the designated plant locations. As a result, in the FY 2023-24, more than 90% of raw material sourcing was conducted 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) (b) E-waste (c) Hazardous waste and (d) other waste.**

The Company has established a methodical waste management program throughout its manufacturing site and offices. All waste materials are separated right at the source of generation, gathered, and handled according to the nature of the waste. The Company has set up systematic procedures for dealing with each category of waste, as outlined below:

Product	Process to safely reclaim the product
<b>a. Plastics (including packaging)</b>	Under The Plastic Waste Management Rules of 2016, SPL is classified as a 'Brand Owner' & 'Importer'. SPL is registered as a brand owner as well as importer on the Central Pollution Control Board (CPCB) EPR Portal. SPL advocates for plastic waste recycling through its partnerships with the Indian Centre for Plastic in the Environment (ICPE) and several other NGOs.
<b>b. E-Waste</b>	Upon reaching the end of its lifespan, electronic waste is channelized to registered recyclers approved by the State Pollution Control Board (SPCB) and/or Central Pollution Control Board (CPCB).
<b>c. Hazardous Waste</b>	The hazardous waste that is collected is dispatched for scientific disposal to the Common Hazardous Waste Treatment Storage and Disposal Facility (CHWTSDF), which is approved by the State Pollution Control Board (SPCB), as per the conditions stipulated in the Consent to Operate (CTO) granted by the SPCB.
<b>d. Other Waste</b>	Other non-hazardous waste is disposed by selling to scrap vendors.

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.**

Yes, Extended Producer Responsibility (EPR) does apply to SPL. SPL is registered as a Brand Owner and Importer on the Central Pollution Control Board (CPCB), EPR Portal as per the requirements of the Plastic Waste Management Rules, 2016, as amended.

As a manufacturer of Polystyrene (PS) and Expandable Polystyrene (EPS), SPL has set up a 'Sustainability Department' that disseminates information about EPS recycling post-consumption to customers, consumers, NGOs and communities.

Moreover, SPL has identified NGOs involved in collecting household plastic waste and encouraged them to begin collecting EPS from households, businesses and marketplaces since EPS is recyclable. SPL has partnered with the industry body Indian Centre for Plastic in the Environment (ICPE) to support the recycling of plastic waste, including 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?**

SPL conducted LCA for its Styrenics products in FY 2019-20 through an independent third-party agency and the results for the same are available on the public domain.

NIC Code	Name of Product/Service	Percentage 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</li> <li>• Master Batches of Thermoplastics and Elastomers,</li> <li>• Extruded Polystyrene (XPS)</li> </ul>	75.87%	Gate to Gate	Yes

**Results communicated in public domain (Yes/No) If yes provide web-link**

<https://environmentclearance.nic.in/DownloadPfdFile.aspx?FileName=e+rsYZdUx/d11IkFZHB2KfXK+3fJ1rZ79MEwG1ZEt-TerviNjVtMjvsjkSDmCQsoEfnZf9OB13sphXxfssRO3b9KAqtUdDFetbDpgGKqn9pfQK3CxXAvGuBF/X+KoYwjV&FilePath=93ZZBm8LWEXfg+HAIQix2fE2t8z/pgnoBhDIYdZCxzVPEh4a7F53Cae7tleKGoXIDiA7chYePNgRJpewX3dLsaLace8RS5VxBvVdCAnIMg=>

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.**

No significant risks or concerns were identified through the LCA exercise.

Sr.	Name of the product	Description of the risk	Action Taken
		NA	

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).**

Indicate Input Material	Recycled or re-used input material to total material	
	FY 2023-24	FY 2022-23
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:**

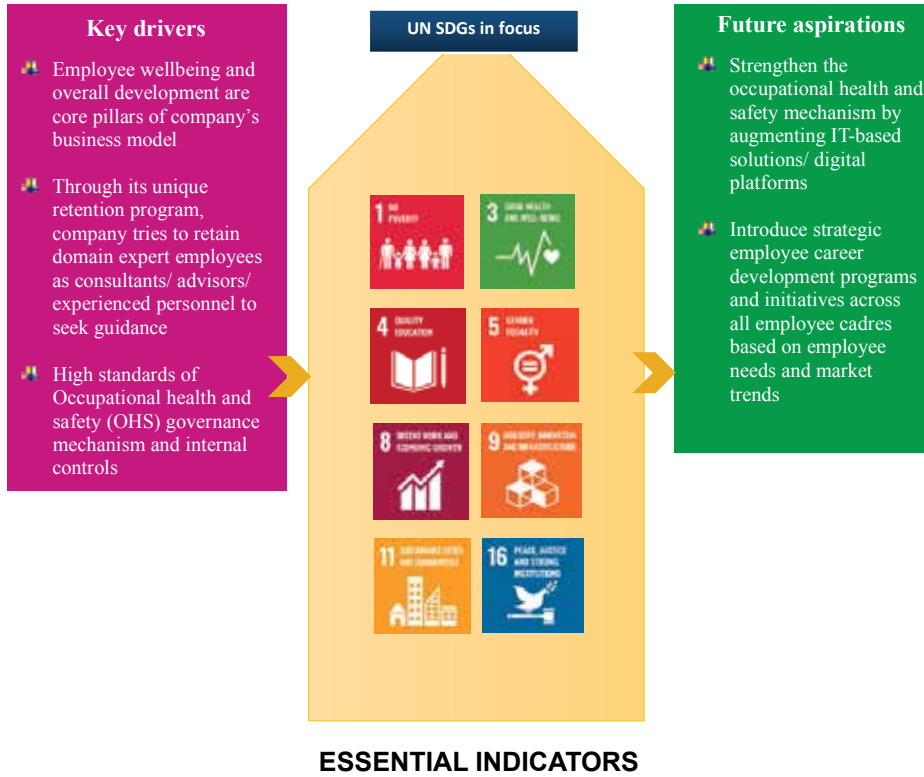
	FY 2023-24 (Current FY)			FY 2022-23 (Previous FY)		
	Reused	Recycled	Safely Disposed	Reused	Recycled	Safely Disposed
Plastics (including packaging)	0	0	0	0	0	0
E-waste	0	0	0	0	0	0
Hazardous waste	0	0	0	0	0	0
Other waste	0	0	0	0	0	0

5. **Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**  
Not applicable.

Indicate Product Category	Reclaimed products and their packaging materials as % of total products sold in respective category
NA	NA



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



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

Percentage of employees covered by											
Category	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	Percentage (B/A)	Number (C)	Percentage (C/A)	Number (D)	Percentage (D/A)	Number (E)	Percentage (E/A)	Number (F)	Percentage (F/A)
<b>Permanent Employees</b>											
Male	396	396	100%	396	100%	0	0%	0	0%	0	0%
Female	24	24	100%	24	100%	24	100%	0	0%	0	0%
<b>Total</b>	<b>420</b>	<b>420</b>	<b>100%</b>	<b>420</b>	<b>100%</b>	<b>24</b>	<b>6%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>
<b>Other than Permanent Employees</b>											
Male	14	14	100%	14	100%	0	0%	0	0%	0	0%
Female	0	0	0%	0	0%	0	0%	0	0%	0	0%
<b>Total</b>	<b>14</b>	<b>14</b>	<b>0%</b>	<b>14</b>	<b>100%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>

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

Percentage of employees covered by											
Category	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	Percentage (B/A)	Number (C)	Percentage (C/A)	Number (D)	Percentage (D/A)	Number (E)	Percentage (E/A)	Number (F)	Percentage (F/A)
<b>Permanent Workers</b>											
Male	0	0	0%	0	0%	0	0%	0	0%	0	0%
Female	0	0	0%	0	0%	0	0%	0	0%	0	0%
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>
<b>Other than Permanent Workers</b>											
Male	245	245	100%	245	100%	0	0%	0	0%	0	0%
Female	10	10	100%	10	100%	10	100%	0	0%	0	0%
<b>Total</b>	<b>255</b>	<b>255</b>	<b>100%</b>	<b>255</b>	<b>100%</b>	<b>10</b>	<b>4%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>

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

Category	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Cost incurred on well-being measures as a percentage of total revenue of the Company	0.03%	0.03%

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

Sr.	Benefits	FY 2023-24 (Current FY)			FY 2022-23 (Previous FY)		
		No. of employees covered as a percentage of total employees	No. of workers covered as a percentage of total worker	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a percentage of total employees	No. of workers covered as a percentage of total employees	Deducted and deposited with the authority (Y/N/N.A.)
1.	PF	100%	0	Y	100%	0%	Y
2.	Gratuity	100%	0	Y	100%	0%	Y
3.	ESIC	4%	100%	Y	6%	100%	Y

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

Yes, at SPL head office, we have ensured accessibility for differently abled individuals, including wheelchair access and toilets meeting the requirements of the Rights of Persons with Disabilities Act, 2016. However, due to the hazardous nature of our processes in the manufacturing locations, such facilities are not made available.

Although, SPL currently does not have any employee with disabilities, the Company remains committed towards inclusivity in the workplace and focuses on selecting candidates solely on their skills and knowledge.

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

The company has an equal opportunity policy and embraces diversity and is committed to fostering a supportive and inclusive work environment that is free from any form of discrimination. The equal opportunity policy is available at URL: <https://supremepetrochem.com/wp-content/uploads/2024/06/EQUAL-OPPOURTUNITY-POLICY.pdf>



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

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

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

SPL has a robust grievance mechanism in place that allows employees to report and address their concerns.

- For unionized employees, grievances are submitted through recognized trade unions and escalated to the relevant functional or divisional head.
- For non-unionized employees, grievances are raised at the department or sectional head level and are then discussed and resolved in consultation with the Human Resources (HR) department.
- SPL also has a Prevention of Sexual Harassment (POSH) Policy and a Whistle-blower/Vigil Mechanism Policy, where employees can report misconduct, breaches of the Code of Conduct, harassment, discrimination and other related issues, which are available at :

(i) <https://supremepetrochem.com/pdf/Prevention-Prohibition-Redressal-of-Sexual-Harassment-of-Women-at-the-Workplace.pdf>

(ii) <https://supremepetrochem.com/download/vigil-mechanism-whistle-blower-policy.pdf>

Category	Yes/No	Details of the mechanism in brief
Permanent Workers	NA	–
Other than Permanent Workers	Yes	Concerned service provider can discuss and report the issue with HR/Factory Head.
Permanent Employees	Yes	Grievances are identified, discussed and communicated to the Department Heads and resolved in consultation with HR/Factory Head.
Other than Permanent Employees	Yes	

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

Category	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Total employees/workers in respective category (A)	No. of employees/workers in respective category, who are part of association (s) or Union (B)	Percentage (B/A)	Total employees/workers in respective category (A)	No. of employees/workers in respective category, who are part of association (s) or Union (B)	Percentage (D/C)
<b>Permanent Employees</b>						
Male	396	85	21%	381	76	20%
Female	24	1	4%	24	1	4%
<b>Total</b>	<b>420</b>	<b>86</b>	<b>20%</b>	<b>405</b>	<b>77</b>	<b>19%</b>
<b>Permanent Workers</b>						
Male	0	0	0%	0	0	0%
Female	0	0	0%	0	0	0%
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0</b>	<b>0%</b>

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

Category	FY 2023-24 (Current Financial Year)					FY 2022-23 (Previous Financial Year)				
	Total (A)	On Health and Safety Measures		On Skills upgradation		Total (D)	On Health and Safety Measures		On Skills upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>EMPLOYEES</b>										
Male	396	396	100%	396	100%	380	380	100%	380	100%
Female	24	24	100%	24	100%	25	25	100%	25	100%
<b>Total</b>	<b>420</b>	<b>420</b>	<b>100%</b>	<b>420</b>	<b>100%</b>	<b>405</b>	<b>405</b>	<b>100%</b>	<b>405</b>	<b>100%</b>

Category	FY 2023-24 (Current Financial Year)					FY 2022-23 (Previous Financial Year)				
	Total (A)	On Health and Safety Measures		On Skills upgradation		Total (D)	On Health and Safety Measures		On Skills upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Workers</b>										
Male	245	245	100%	0	0%	254	254	100%	0	0%
Female	10	10	100%	0	0%	11	11	100%	0	0%
<b>Total</b>	<b>255</b>	<b>255</b>	<b>100%</b>	<b>0</b>	<b>0%</b>	<b>265</b>	<b>265</b>	<b>100%</b>	<b>0</b>	<b>0%</b>

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

Category	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Total (A)	No. (B)	Percentage (B/A)	Total (C)	No. (D)	Percentage (D/C)
<b>EMPLOYEES</b>						
Male	396	396	100%	380	380	100%
Female	24	24	100%	25	25	100%
<b>Total</b>	<b>420</b>	<b>420</b>	<b>100%</b>	<b>405</b>	<b>405</b>	<b>100%</b>
<b>Workers</b>						
Male	245	0	0%	254	0	0%
Female	10	0	0%	11	0	0%
<b>Total</b>	<b>255</b>	<b>0</b>	<b>0%</b>	<b>265</b>	<b>0</b>	<b>0%</b>

10. Health and safety management system:

<b>a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No)</b>	Yes, SPL places the highest priority on the safety of its employees. SPL has implemented a comprehensive Occupational Health and Safety (OHS) Management System that is modelled on ISO 45001:2018 and covers both of its manufacturing locations:
<b>What is the coverage of such system?</b>	<ul style="list-style-type: none"> <li>i. Amdoshi, Maharashtra</li> <li>ii. Manali, Chennai, Tamil Nadu.</li> </ul>
<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>	SPL has devised a mechanism and process for identifying work-related hazards, which includes comprehensive safety procedures for recognizing hazards and assessing risks on a routine and non-routine basis. SPL has carried out a hazard identification and risk mapping assessment, including an impact assessment and the necessary control measures for the identified risks. The process of hazard identification is based on a variety of 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" scenarios, Pre-Start Up Safety Review (PSSR), Chemical Risk Assessment (CRA) and Job Safety Analysis (JSA) among others. SPL periodically conducts external as well as internal audits and inspects its Occupational Health and Safety Management Systems.



<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, SPL endeavours to create a culture of safety across all its operations. Employees are encouraged to voice concerns related to Health, Safety and Environment (HSE) such as unsafe acts or conditions at the workplace, breaches of safety rules or procedures, situations of imminent danger, or defective fire and safety equipment, etc. SPL issues a "Close Call" or "Near Miss" report addressing any such concerns immediately upon their reporting to the respective and HSE departments. These cases are promptly reported and investigated according to our HSE Occupational Health and Safety (OHS) Management System framework. SPL also involves its employees in the formulation and review of HSE policies and objectives during meetings for safety committees, training, reviews and so on. Employees participate actively in the identification of hazards, risk assessment and the determination of risk controls in their respective work areas. The HSE suggestion scheme is utilized by 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, all employees and workers of SPL are covered under non-occupational medical and healthcare services by insurance policy or ESIC scheme.</p>

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

Safety Incident/Number	Category	FY 2023-24 (Current FY)	FY 2022-23 (Previous FY)
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
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

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

SPL prioritizes safety values in all facets of its business operations, integrating safety and well-being of employees with the business operations. The Company has established a well-defined Occupational Health and Safety (OHS) management system, complete with a comprehensive monitoring plan and operates with a long-term strategy to ensure the system's effective implementation. This system follows the Plan-Do-Check-Act cycle of continual improvement.

The OHS framework of SPL includes the following:

- Assigning OHS roles and responsibilities
- Establishing and adhering to safety culture, standards and values
- Considering the strategic implications on the business
- Evaluating OHS performance management
- Reporting and reviewing of near misses
- Paying equal attention to low-risk areas as well as major hazards and high-risk areas to reduce incidents

SPL manages low probability risks through the following methods:

- Eradicating risks through appropriate engineering controls
- Assessing and consistently improving employee competency and experience through regular training and re-training
- Strictly following established SOPs
- Implementing prevention strategies for low-probability incidents at both management and shop floor levels



- Diligently monitoring and utilizing personal protective equipment
- Planning for contingencies
- Regularly reviewing and updating emergency response plans and conducting mock drills
- Maintaining a robust system for HSE performance monitoring
- Incorporating redundancy in the process design and development
- Ensuring the adoption of best safety practices
- Ensuring compliance with all applicable legal and other requirements
- Identifying opportunities for significant risk reduction in the process
- Verifying that a system exists to manage the residual risk, following the implementation of all agreed risk reduction measures.

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

Topic	FY 2023-24 (Current FY)			FY 2022-23 (Previous FY)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	NA	0	0	NA
Health & Safety	0	0	NA	0	0	NA

**14. Assessments for the year:**

Topic	Percentage 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 by third party.
Working Conditions	100% of Supreme Petrochem Ltd Manufacturing site/ location have been assessed by third party.

**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.**

All safety-related incidents and near misses are thoroughly investigated according to the safety management process established in the Occupational Health and Safety (OHS) management system. This process is overseen by third-party entities or agencies. SPL also has a comprehensive procedure for reporting and investigating work injuries and incidents. The details of these injuries and incidents, along with the recommendations from the investigation reports, are shared with all departments. This process of horizontal deployment in the organization encourages departments to assess the applicability of these recommendations in their respective areas and take the necessary corrective-preventive actions. This procedure helps to avoid repeated incidents and promotes the widespread implementation of corrective measures within their departments. SPL also practices learning from incidents at other companies and organizations operating in the similar business.

**LEADERSHIP INDICATORS**

**1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).**

Yes, SPL extends compensatory packages to employees as well as workers in the event of death.

- Employees (Yes/No):** The Company has a Benevolent Fund in place for its employees. Additionally, in case of death of an employee during his/her service period, SPL pays Gratuity up to the retirement age of the employee.
- Workers (Yes/No):** The workers are covered under the Workmen Compensation Act in the event of their untimely death.

**2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

SPL ensures that all statutory dues relevant to its transactions are deducted and deposited in accordance with the applicable regulations. This procedure is regularly reviewed as part of the Company's internal and statutory audits. In the event that their value chain partners fail to deposit the taxes, SPL pays the necessary taxes and interest on their behalf to the government and then recovers the amount from the defaulting partner within a specified time frame. At SPL, adherence to regulatory requirements is prioritized and a dedicated team oversees these activities, including compliance with the Goods and Services Tax (GST).



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 2023-24 (Current FY)	FY 2022-23 (Previous FY)	FY 2023-24 (Current FY)	FY 2022-23 (Previous FY)
Employees	0	0	0	0
Workers	0	0	0	0

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).

Yes, SPL believes in providing transition assistance to employees who are nearing their retirement. SPL has set up a Retainership Program for retired employees based on business needs and expertise of the retiring employee.

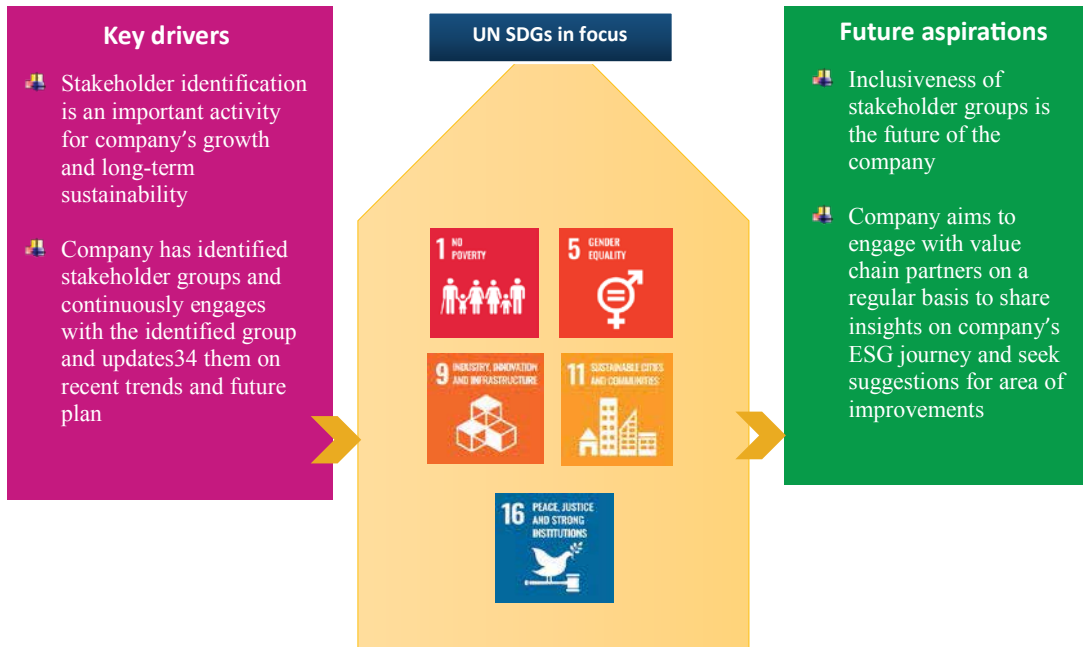
5. Details on assessment of value chain partners:

Topic	Percentage of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	NIL
Working Conditions	NIL

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.

Not Applicable, since SPL did not carry out any assessment for its value chain partners.

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





**ESSENTIAL INDICATORS**

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

SPL has an internal procedure in place to identify stakeholder groups or institutions that contribute value and/or affect business performance in the medium and long term. Among others, SPL has identified employee, worker, shareholder, investor, customer and community stakeholder groups that are impacted by, and in turn can impact, its business.

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

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/Half yearly/ Quarterly/others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees and Workers	No	Engagement forums and one-on-one interactions	Daily and need-based	Inform about business plans and future strategies
Shareholders/ Investors	No	Annual General Meetings (AGM), Notice Boards, Email and Website	Annual and need-based	To stay abreast of all developments and plans of the Company
Communities	Yes	Direct interactions through Public Relations Department	Need-based	Support socially with suitable 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. Provide the processes for consultation between stakeholders and the Board on economic, environmental and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

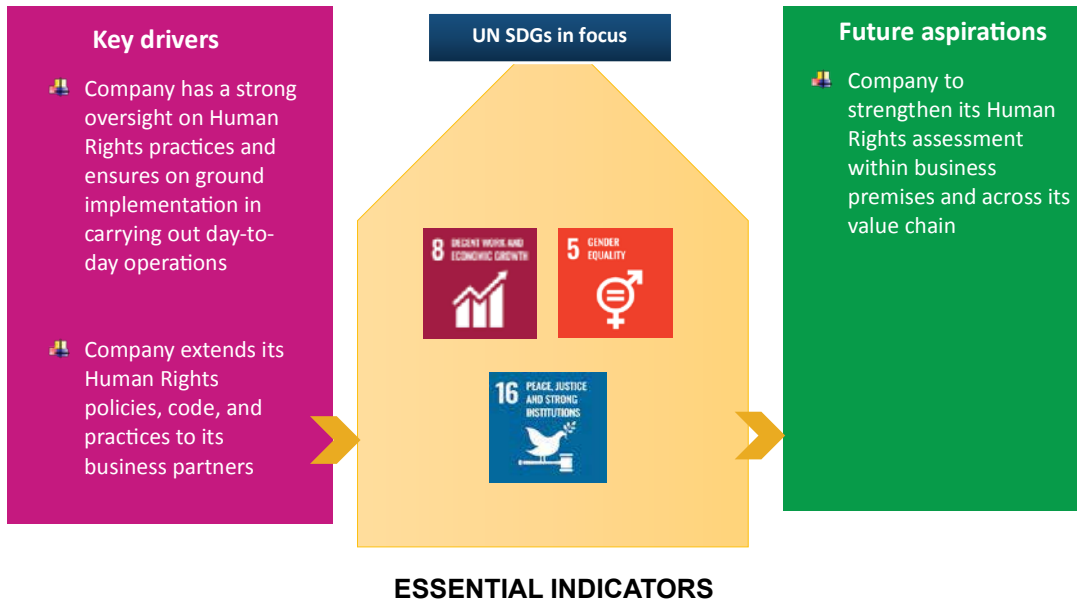
SPL is committed to fostering sustainable and meaningful connections with its essential stakeholder groups by consistently engaging with them to provide updates on its business strategies, potential risks, opportunities and future plans. Different department leaders engage with their specific internal and external stakeholders to grasp their viewpoints and address any concerns they may have. The feedback gathered from these interactions is summarized and communicated to senior management and then to the Board Members for necessary actions and to formulate sustainability strategies accordingly.

**2. Whether stakeholder consultation is used to support the identification and management of environmental and social topics (Yes/No). 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.**

In FY 2021-22, SPL conducted a Stakeholder Engagement and Materiality Assessment process. This assessment involved consulting with the primary stakeholder groups identified by SPL. Through individual interactions, both internal and external stakeholders were engaged to collect their insights in order to identify and rank the significant Environmental, Social and Governance (ESG) concerns relevant to SPL's operations. SPL remains committed to ongoing engagement with various stakeholder groups to assess their views on SPL's ESG performance and identify areas for future intervention.

**3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

SPL is committed to ensuring equitable, impartial and non-discriminatory treatment of all their needs and interests. It is pivotal to adopt an inclusive approach across all the CSR activities and projects like improving public hygiene facilities, educational and health infrastructure improvements, etc. This ensures appropriate engagement with the communities and helps in addressing the concerns of vulnerable/ marginalized groups of the nearby society. SPL takes actions which prioritize accessibility, cultural sensitivity and sustainability in its CSR initiatives.

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

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

Category	FY 2023-24 (Current FY)			FY 2022-23 (Previous FY)		
	Total (A)	No. of employees/workers covered (B)	Percentage (B/A)	Total (C)	No. of employees/workers covered (D)	Percentage (D/C)
<b>EMPLOYEES</b>						
Permanent	420	420	100%	405	405	100%
Other than permanent	14	14	100%	38	38	100%
<b>Total</b>	<b>434</b>	<b>434</b>	<b>100%</b>	<b>443</b>	<b>443</b>	<b>100%</b>
<b>Workers</b>						
Permanent	0	0	0%	0	0	0%
<b>Other than permanent</b>	<b>255</b>	<b>255</b>	<b>100%</b>	<b>265</b>	<b>265</b>	<b>100%</b>
<b>Total</b>	<b>255</b>	<b>255</b>	<b>100%</b>	<b>265</b>	<b>265</b>	<b>100%</b>

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

Category	FY 2023-24 (Current FY)					FY 2022-23 (Previous FY)				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	Percentage (B / A)	No. (C)	Percentage (C / A)		No. (E)	Percentage (E / D)	No. (F)	Percentage (F / D)
<b>EMPLOYEES</b>										
<b>Permanent</b>	<b>420</b>	<b>0</b>	<b>0%</b>	<b>420</b>	<b>100%</b>	<b>382</b>	<b>0</b>	<b>0%</b>	<b>382</b>	<b>100%</b>
Male	396	0	0%	396	100%	359	0	0%	359	100%
Female	24	0	0%	24	100%	23	0	0%	23	100%

Category	FY 2023-24 (Current FY)					FY 2022-23 (Previous FY)				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	Percentage (B / A)	No (C)	Percentage (C / A)		No. (E)	Percentage (E / D)	No. (F)	Percentage (F / D)
Other than Permanent	14	0	0%	14	100%	38	0	0%	38	100%
Male	14	0	0%	14	100%	37	0	0%	37	100%
Female	0	0	0%	0	0%	1	0	0%	1	100%
<b>WORKERS</b>										
Permanent	0	0	0%	0	0%	0	0	0%	0	0%
Male	0	0	0%	0	0%	0	0	0%	0	0%
Female	0	0	0%	0	0%	0	0	0%	0	0%
Other than Permanent	255	247	97%	8	3%	265	265	100%	0	0%
Male	245	241	98%	4	2%	254	254	100%	0	0%
Female	10	6	60%	4	40%	11	11	100%	0	0%

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

a. Median remuneration/wages:

Category	Male		Female	
	Number	Median remuneration/ salary/wages of respective category (INR in Million)	Number	Median remuneration/ salary/wages of respective category (INR in Million)
Board of Directors (BoD)	9	*	1	*
Key Managerial Personnel	4	24.525554	0	–
Employees other than BoD and KMP	396	0.724030	24	1.016226
Workers	245	0.145848	10	0.174924

Note:

\* Board of Directors, except Shri K. V. Mujumdar, are given sitting fees of ₹1 Lakh for attending each Board Meeting and Independent Directors meeting. ₹50,000 is given for each committee meeting except meetings related to CSR Committee, NRC Committee, Finance Committee and SRC Committee.

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

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

Category	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Gross wages paid to females as percentage of total wages	5.07%	5.50%

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, the head of the Human Resource Department is the focal point responsible for human right related aspects and ensuring compliance regarding human rights in the Company.



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

SPL is dedicated to fostering safe and supportive work environments for its employees, with a strong commitment to upholding human rights as a core ethical value ingrained in its daily operations. The Company has established a dedicated Human Rights policy outlining guidelines and procedures for addressing human rights violations, applicable to both employees and partners within its value chain. The Head of the Human Resources Department bears the responsibility of identifying, validating and addressing grievances raised by employees, workers and business partners. Effective execution of grievance validation and remedial actions necessitates collaboration with departmental and functional heads to understand and address any concerns or reported cases appropriately.

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

SPL has been engaged in fostering an ethical culture aiming at reaching the highest standards in terms of responsibility and business integrity throughout its organization. This has resulted in zero complaints on harassment, child labour, forced labour, discrimination and working conditions during FY 2023-24.

	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	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	1	0	*	0	0	NA
Discrimination at workplace	0	0	NA	0	0	NA
Child Labour	0	0	NA	0	0	NA
Forced Labour/Involuntary Labour	0	0	NA	0	0	NA
Wages	0	0	NA	0	0	NA
Other human rights related issues	0	0	NA	0	0	NA

\*The accusations made by the complainant against the accused were not found to be true by the Internal Committee of the Company.

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

Category	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	1	0
Complaints on POSH as a percentage of female employees/workers	4.16%	0
Complaints on POSH upheld	0	0

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

SPL has established a POSH Committee and implemented a comprehensive anti-discrimination policy, which includes measures for preventing sexual harassment in the workplace. To promote a safe and inclusive work environment for all employees and workers, the Company conducts annual awareness and training sessions covering topics such as fostering a conducive workplace, POSH training and non-discrimination practices. The POSH Committee is responsible for overseeing business operations and ensuring the implementation of safe and non-discriminatory practices throughout the entire business line. Requisite inquiry & investigation is conducted by the Internal Committee of the Company for any sexual harassment complaint made and if required, due action is taken against the employee proven guilty.

**9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

SPL currently does not cover human rights clause in its commercial contracts. However, on a case-to-case basis, the Company does investigate human rights-related aspects, if required specifically.



**10. Assessments for the year:**

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

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

Not applicable.

**LEADERSHIP INDICATORS**

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

During FY 2023-24, SPL did not receive any complaints or grievances. The Company has requisite policies and internal controls in place. Proactively, SPL has implemented comprehensive policies and internal controls to prevent any Human Rights-related issues from arising.

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

During FY 2023-24, no Human Rights due diligence was conducted by any external agency.

**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?**

Yes, the main office is situated in a business building that is equipped with elevators, ensuring accessibility for differently abled people. The Office also provides distinct washroom to facilitate them. Currently SPL has zero differently abled employees, however, the Company is committed to fostering an inclusive work environment and selects candidates based solely on their skills and expertise.

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

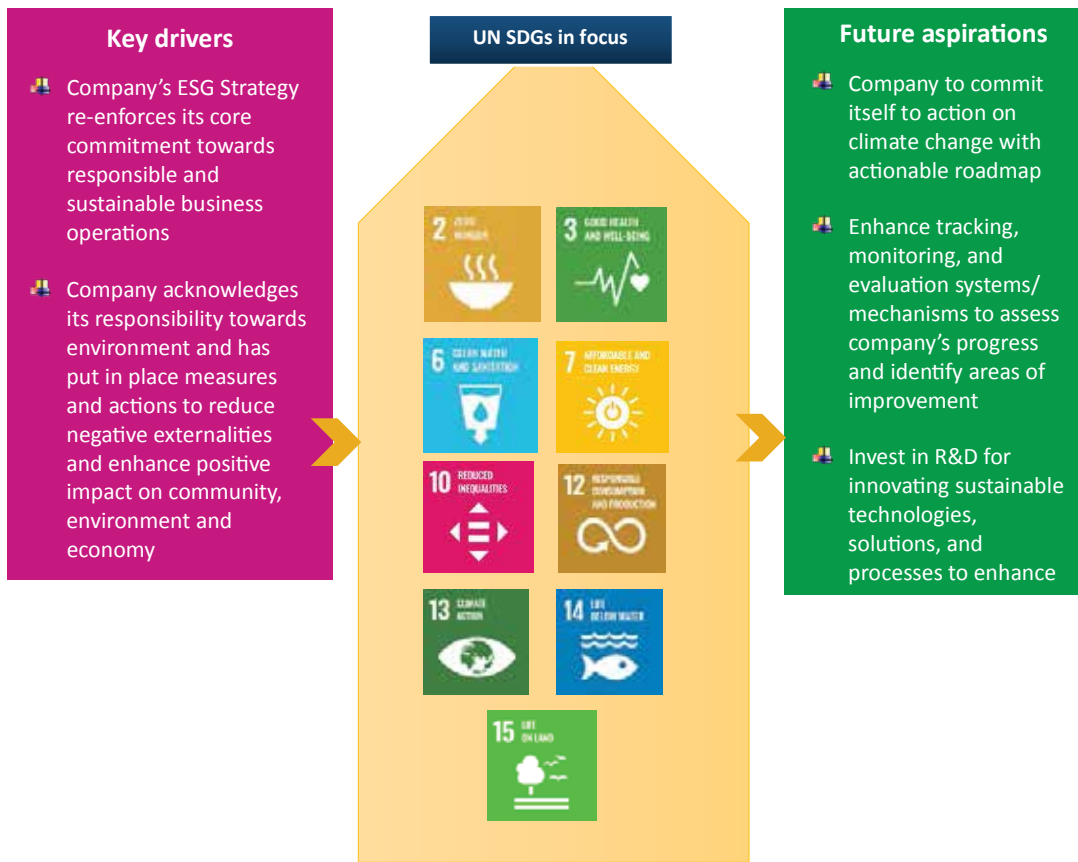
	Percentage of value chain partners (by value of business done with such partners) that were assessed
Child labour	NIL
Forced/involuntary labour	NIL
Sexual harassment	NIL
Discrimination at workplace	NIL
Wages	NIL

**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.



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



**ESSENTIAL INDICATORS**

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

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
<b>From renewable sources</b>		
Total Electricity Consumption (A) (GJ)	7,806	23,915
Total Fuel Consumption (B) (GJ)	0	0
Energy Consumption through other sources (C) (GJ)	0	0
<b>Total Energy Consumption from renewable sources (A+B+C) (GJ)</b>	<b>7,806</b>	<b>23,915</b>
<b>From non-renewable sources</b>		
Total Electricity Consumption (D) (GJ)	1,86,029	1,54,135
Total Fuel Consumption (E) (GJ)	1,87,526	1,74,813
Energy Consumption through other sources (F) (GJ)	0	0
<b>Total Energy Consumption from non-renewable sources (D+E+F) (GJ)</b>	<b>3,73,555</b>	<b>3,28,948</b>
<b>Total Energy Consumption (A+B+C+D+E+F) (GJ)</b>	<b>3,81,361</b>	<b>3,52,864</b>
<b>Energy Intensity per million INR of turnover</b> (Total energy consumption/Revenue from operations in rupees) (GJ per million INR)	0.000007259	0.000006674
<b>Energy Intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total energy consumption in GJ/Revenue from operations adjusted for PPP)	0.0001661	0.0001527
<b>Energy Intensity in terms of physical output (GJ per MT of Product)</b>	<b>1.111</b>	<b>1.136</b>

Note: No external assurance was carried out on environmental parameters for FY 2023-24

\* The revenue from operation has been adjusted for PPP based on the latest PPP convenient factor published for the year 2022 by the World Bank for India which is 22.88.

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

SPL does not have sites/facilities identified as designated consumer under PAT.

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

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	5,71,214	5,46,646
(ii) Groundwater	–	–
(iii) Third party water	33,696	49,608
(iv) Seawater/desalinated water	5,501	3,068
<b>(v) Others (Rainwater storage)</b>	<b>–</b>	<b>–</b>
<b>Total volume of Water Withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>	<b>6,10,411</b>	<b>5,99,322</b>
<b>Total volume of Water Consumption (in kilolitres)</b>	<b>6,10,411</b>	<b>5,99,322</b>
<b>Water Intensity per rupee of turnover</b> (Total Water consumed/Revenue from operations) (kl per million INR)	0.00001162	0.00001134
<b>Water Intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)*</b> (Total water consumption/Revenue from operations adjusted for PPP) (GJ per million INR)	0.0002659	0.0002594
Water Intensity in terms of physical output (KL per MT of Product)	1.778	1.929

Note: No external assurance was carried out on environmental parameters for FY 2023-24

\* The revenue from operations has been adjusted for PPP Conversion factor published for the year 2022 by World Bank for India which is 22.88.

4. Provide the following details related to water discharged:

Parameter	Unit	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
<b>Water discharge by destination and level of treatment (in kilolitres)</b>			
<b>(i) Into Surface water</b>	m <sup>3</sup>	–	–
- No treatment	m <sup>3</sup>	–	–
- With treatment – please specify level of treatment	m <sup>3</sup>	–	–
<b>(ii) Into Groundwater</b>	m <sup>3</sup>	–	–
- No treatment	m <sup>3</sup>	–	–
- With treatment – please specify level of treatment	m <sup>3</sup>	–	–
<b>(iii) Into Seawater</b>	m <sup>3</sup>	–	–
- No treatment	m <sup>3</sup>	–	–
- With treatment – please specify level of treatment	m <sup>3</sup>	–	–
<b>(iv) Sent to third-parties</b>	m <sup>3</sup>	–	–
- No treatment	m <sup>3</sup>	–	–
- With treatment – please specify level of treatment	m <sup>3</sup>	–	–



Parameter	Unit	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
<b>(v) Others</b>	m <sup>3</sup>	–	–
- No treatment	m <sup>3</sup>	–	–
– With treatment – Tertiary Treatment	m <sup>3</sup>	For SPL Amdoshi Works Site: The treated effluent is recycled through ZLD scheme up to maximum extent and remaining is discharged into the saline zone of Amba River Estuary during monsoon period, during non-monsoon period the treated effluent is recycled through ZLD scheme up to maximum extent in the process and the remaining is used on land for gardening within premises. For SPL Manali Works Site: Sewage treated through sewage treatment plant is used for gardening within the premises as approved by State Pollution Control Board (SPCB). Trade effluent was reused through provision of ZLD scheme.	For SPL Amdoshi Works Site: The treated effluent is recycled through ZLD scheme up to maximum extent and remaining is discharged into the saline zone of Amba River Estuary during monsoon period, during non-monsoon period the treated effluent is recycled through ZLD scheme up to maximum extent in the process and the remaining is used on land for gardening within premises. For SPL Manali Works Site: Sewage treated through sewage treatment plant was used for gardening within the premises as approved by State Pollution Control Board (SPCB). Trade effluent was reused through provision of ZLD scheme.
<b>Total water discharged (in kilolitres)</b>	m <sup>3</sup>	1,64,548	1,23,368

Note: No external assurance was carried out on environmental parameters for FY 2023-24

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

To enhance resource circularity, SPL has adopted a Zero Liquid Discharge system. This system is implemented at both manufacturing facilities, Amdoshi and Manali Works, where effluent undergoes primary, secondary and tertiary treatments as well as ultrafiltration, reverse osmosis and evaporation processes before being recycled for operational use.

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

Parameter	Please specify unit	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
NOx	µg/m3	3.70	4.33
SOx	µg/m3	3.69	3.96
Particulate matter (PM)	µg/m3	39.05	42.39
Persistent organic pollutants (POP)	NA	NA	NA
Volatile organic compounds (VOC)	µg/m3	12.37	12.90
Hazardous air pollutants (HAP)	mg/m3	NA	NA
Others – please specify (SO2 from Stacks)	MT/A	51	60

Note: No external assurance was carried out on environmental parameters for FY 2023-24

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

Parameter	Unit	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
<b>Total Scope 1 emissions</b> (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	tCO2e	11,615	11,416

Parameter	Unit	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
<b>Total Scope 2 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	tCO <sub>2</sub> e	36,942	34,680
<b>Total Scope 1 and Scope 2 Emissions</b>	tCO <sub>2</sub> e	48,557	46,096
<b>Total Scope 1 and Scope 2 Emissions Intensity per rupee of turnover</b> (Total Scope 1 and Scope 2 GHG Emissions/Revenue from operations)	tCO <sub>2</sub> e/INR Crore	0.0000009243	0.0000008718
<b>Total Scope 1 and Scope 2 Emissions Intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total Scope 1 and Scope 2 GHG Emissions/Revenue from operations adjusted for PPP)	tCO <sub>2</sub> e/USD	0.00002115	0.00001995
<b>Total Scope 1 and Scope 2 Emissions Intensity in terms of physical output</b>	tCO <sub>2</sub> e/MT of Product	0.141	0.148

**Note:** No external assurance was carried out on environmental parameters for FY 2023-24

The revenue from operations has been adjusted for PPA based on the latest PPP conversion factor published for the year 2022 by World Bank for India which is 22.88.

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

Recognizing its environmental impact, SPL endeavours to diminish its ecological footprint by undertaking initiatives to mitigate Greenhouse Gas (GHG) emissions. These initiatives include adopting energy-saving LED lighting, utilizing energy-efficient equipment like induction motors and compressors and implementing Variable Frequency Drive (VFD) systems. SPL also predominantly uses cleaner fuels such as natural gas and low sulphur heavy stock for its thermal energy demands in the manufacturing operations. The Company uses battery operated vehicles such as forklift trucks, at its manufacturing locations. SPL has installed a 1 MWp solar roof top power plant at its manufacturing unit at Amdoshi to bolster the share of renewable energy in fulfilling the electrical energy demands of the operations. SPL looks to increase its renewable energy usage even more to reduce GHG emissions by entering into a Power Delivery Agreement with TP Saturn Limited (a Special Purpose Vehicle (SPV) formed by Tata Power Renewable Energy Limited) for supplying 12.5 MW solar power to the Amdoshi Unit.

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

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
<b>Total Waste generated (in metric tonnes)</b>		
Plastic waste (A)	29.28	26.28
E-waste (B)*	1.14	1.25
Bio-medical waste (C)	0.004	0.0014
Construction and demolition waste (D)	0	0
Battery waste (E)*	0.91	0
Radioactive waste (F)	0	0
Other Hazardous waste (includes spent alumina, used/ spent oil, chemical sludge from wastewater treatment, evaporator salts, filter bags, cloth, cotton waste, insulation waste, etc. ) (G)	603	570
Other Non-hazardous waste generated (H). (Wooden scrap, metallic scrap, non-metallic scrap, paper waste, glassware waste, etc.) Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector)	1,033	472
<b>Total (A+B + C + D + E + F + G+ H)</b>	<b>1,668</b>	<b>1,069</b>
<b>Waste Intensity per rupee of turnover</b> (Total waste generated/ Revenue from operations) (MT per million INR)	0.00000003175	0.00000002022



Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
<b>Waste Intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)*</b> (Total waste generated/Revenue from operations adjusted for PPP)	0.0000007265	0.0000004626
<b>Waste Intensity in terms of physical output (MT of Waste Generated per MT of Product)</b>	0.005	0.003
<b>For each category of waste generated, total waste recovered by nature of recovery method (in metric tonnes)</b>		
<b>Category of waste: Plastic waste (A)</b>		
(i) Recycled	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
<b>Total</b>	<b>0</b>	<b>0</b>
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
<b>Category of waste: Plastic waste (A)</b>		
(i) Incineration	14.74	17.01
(ii) Landfilling	0.00	0.00
(iii) Other disposal operations	14.54	9.27
<b>Total</b>	<b>29.28</b>	<b>26.28</b>
<b>For each category of waste generated, total waste recovered by nature of recovery method (in metric tonnes)</b>		
<b>Category of waste: E-waste (B)</b>		
(i) Recycled	1.14	1.25
(ii) Re-used	0.00	0.00
(iii) Other recovery operations	0.00	0.00
<b>Total</b>	<b>1.14</b>	<b>1.25</b>
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
<b>Category of waste: E-waste (B)</b>		
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Other disposal operations	0	0
<b>Total</b>	<b>0</b>	<b>0</b>
<b>For each category of waste generated, total waste recovered by nature of recovery method (in metric tonnes)</b>		
<b>Category of waste: Battery waste (E)</b>		
(i) Recycled	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	0.91	0
<b>Total</b>	<b>0.91</b>	<b>0</b>
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
<b>Category of waste: Battery waste (E)</b>		
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Other disposal operations	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
<b>For each category of waste generated, total waste recovered by nature of recovery method (in metric tonnes)</b>		
<b>Category of waste: Other Hazardous waste generated(G)</b>		
(i) Recycled	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
<b>Total</b>	<b>0</b>	<b>0</b>
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
<b>Category of waste: Other Hazardous waste generated (G)</b>		
(i) Incineration	377	438
(ii) Landfilling	219	78
(iii) Other disposal operations	7	54
<b>Total</b>	<b>603</b>	<b>570</b>
<b>For each category of waste generated, total waste recovered by nature of recovery method (in metric tonnes)</b>		
<b>Category of waste: Other Non-hazardous waste generated(H)</b>		
(i) Recycled	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
<b>Total</b>	<b>0</b>	<b>0</b>
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
<b>Category of waste: Other Non-hazardous waste generated (H)</b>		
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Other disposal operations	1,033	472
<b>Total</b>	<b>1,033</b>	<b>472</b>

**Note:** No external assurance was carried out on environmental parameters for FY 2023-24

\* The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2022 by World Bank for India which is 22.88.

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

SPL has established a comprehensive waste management program to handle the waste generated from its operations. Waste is identified and segregated at its source according to documented procedures aimed at sustainable waste management during business operations:

- Hazardous and biomedical wastes are sent for scientific disposal to approved facilities such as the Common Hazardous Waste Treatment Storage and Disposal Facility (CHWTSDF) and the Common Bio-Medical Waste Treatment Storage and Disposal Facility (CBMWTSDF), respectively, approved by the State Pollution Control Board (SPCB). SPL is a member of CHWTSDF, where various disposal methods like landfill and incineration are carried out.
- SPL collaborates with e-waste recyclers sanctioned and registered by the SPCB for the effective management and processing of all e-waste generated within SPL.
- Battery waste is managed in accordance with The Batteries (Management and Handling) Amendment Rules, 2022, and is sent to registered recyclers approved by the State Pollution Control Board (SPCB).
- Additionally, SPL has adopted strategies to minimize waste from its products. SPL adheres to various standards for waste management practices, including:
  - 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 and EU 1282/2011 and Article 3 of European Regulation No. 1935/2004.
- US FDA - 21.CFR.176.17

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

SPL's facilities and offices are situated away from ecologically sensitive areas. According to the Environment Impact Assessment (EIA) conducted by SPL in FY 2019-20, there were no notable direct or indirect effects of the business activities on biodiversity at SPL's Amdoshi works site. The report is accessible to the public via the following link:

<https://environmentclearance.nic.in/DownloadPfdFile.aspx?FileName=e+rsYZdUx/d11kFZHB2KfXK+3fJ1rZ79MEwGIZEt-TerviNjVtMjvsjkSDmCQsoEfnZf9OB13sphXfssRO3b9KAqtUdDFetbDpgGKqn9pfQK3CxxAvGuBF/X+KoYwJv&FilePath=93ZZBm8LWEXfg+HAIQix2fE2t8z/pgnoBhDIYdZCzxVPEh4a7F53Cae7tleKGoXIDIA7chYePNgRjpehWx3dLsaLae8RS5VxBvVdCANlMg=>

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

During reporting period, SPL has not carried out any Environment Impact Assessment (EIA) for its projects. The most recent EIA conducted by SPL was in FY 2019-20, which focused on expanding the manufacturing capacity of existing products and introducing new products in the category of synthetic resins, classified under the synthetic organic chemicals industry (5f) as per the EIA notification of September 2006, as amended. The report is publicly available at the following link:

<https://environmentclearance.nic.in/DownloadPfdFile.aspx?FileName=e+rsYZdUx/d11kFZHB2KfXK+3fJ1rZ79MEwGIZEt-TerviNjVtMjvsjkSDmCQsoEfnZf9OB13sphXfssRO3b9KAqtUdDFetbDpgGKqn9pfQK3CxxAvGuBF/X+KoYwJv&FilePath=93ZZBm8LWEXfg+HAIQix2fE2t8z/pgnoBhDIYdZCzxVPEh4a7F53Cae7tleKGoXIDIA7chYePNgRjpehWx3dLsaLae8RS5VxBvVdCANlMg=>

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

SPL is compliant with all the applicable environment laws and regulations.

Sr. No.	Specify the law/regulation/guidelines which was not complied with	Provide details of 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. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):**

Not Applicable. SPL's operation sites are neither located in water stressed regions nor water is withdrawn, consumed, nor discharged from any water stressed areas.

For each facility/plant located in areas of water stress, provide the following information:

- (i) Name of the area:
- (ii) Nature of operations:
- (iii) Water withdrawal, consumption and discharge in the following format:

Parameter	Unit	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Water withdrawal by source (in kilolitres)			
(i) Surface water	m <sup>3</sup>	–	–
(ii) Groundwater	m <sup>3</sup>	–	–
(iii) Third party water	m <sup>3</sup>	–	–
(iv) Seawater/desalinated water	m <sup>3</sup>	–	–
(v) Others	m <sup>3</sup>	–	–
<b>Total volume of water withdrawal (in kilolitres)</b>	m <sup>3</sup>	–	–
<b>Total volume of water consumption (in kilolitres)</b>	m <sup>3</sup>	–	–

Parameter	Unit	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
<b>Water intensity per rupee of turnover (Water consumed/turnover)</b>	KL per crore INR of revenue	–	–
<b>Water intensity</b> (optional) – the relevant metric may be selected by the entity	–	–	–
<b>Water discharge by destination and level of treatment (in kilolitres)</b>			
(i) Into Surface water	m <sup>3</sup>	–	–
– No treatment	m <sup>3</sup>	–	–
– With treatment – please specify level of treatment	m <sup>3</sup>	–	–
(ii) Into Groundwater	m <sup>3</sup>	–	–
– No treatment	m <sup>3</sup>	–	–
– With treatment – please specify level of treatment	m <sup>3</sup>	–	–
(iii) Into Seawater	m <sup>3</sup>	–	–
– No treatment	m <sup>3</sup>	–	–
– With treatment – please specify level of treatment	m <sup>3</sup>	–	–
(iv) Sent to third-parties	m <sup>3</sup>	–	–
– No treatment	m <sup>3</sup>	–	–
– With treatment – please specify level of treatment	m <sup>3</sup>	–	–
(v) Others	m <sup>3</sup>	–	–
– No treatment	m <sup>3</sup>	–	–
– With treatment – please specify level of treatment	m <sup>3</sup>	–	–
<b>Total water discharged (in kilolitres)</b>	m <sup>3</sup>	–	–

**Note:** No external assurance was carried out on environmental parameters for FY 2023-24

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

SPL is currently in the process of quantifying its scope 3 emissions and will disclose it in the upcoming years.

Parameter	Unit	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
<b>Total Scope 3 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	tCO <sub>2</sub> e	–	–
Total Scope 3 Emissions per rupee of turnover	tCO <sub>2</sub> e	–	–
<b>Total Scope 3 emission intensity</b> (optional)– the relevant metric may be selected by the entity	tCO <sub>2</sub> e/ INR	–	–

**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.

**3. 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. SPL's operations are not located in or around any ecologically sensitive areas.



4. 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:

Sr.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along with summary)	Outcome of the initiative
1	Energy Saving 2023-24	Replacement of conventional luminaires with energy saving LED	Energy savings of 163296 kWh
2	Energy Saving 2023-24	Replacement of Existing Induction motors with energy efficient Induction motors.	Energy savings of 40094 kWh
3	Workplace Environment Improvement	Introduction of condensers in Poly Reactor Vents at SPL Manali-Chennai Unit.	Reduction in hydrocarbon emissions
4	Workplace Environment Improvement	Reconstruction of Road from Main Gate to Tank Farm with the help of paver blocks at SPL Manali-Chennai Unit.	Reduction in ambient air dust levels
5	Use of Renewable Energy Source	Agreement signed with a third party who supply Solar Power for SPL Manali-Chennai Unit.	Around 60% of power sourced from Solar Energy

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

SPL has implemented a comprehensive business continuity and disaster management plan to effectively handle emergencies, crises, and interruptions in business operations. This includes both an Onsite Emergency Management Plan to enhance preparedness and response within the facility as well as an Off-site Emergency Plan which was submitted to the District Collectorate for external coordination. The plan considers various natural disasters such as floods and earthquakes, incorporating safety measures, protocols, emergency contacts, identification plans, evaluation processes and responses to potential emergency scenarios. Additionally, it addresses transport emergency response case of vehicles transporting raw materials and finished goods to and from SPL premises. SPL also has established a Disaster Recovery System setup to ensure data security and management.

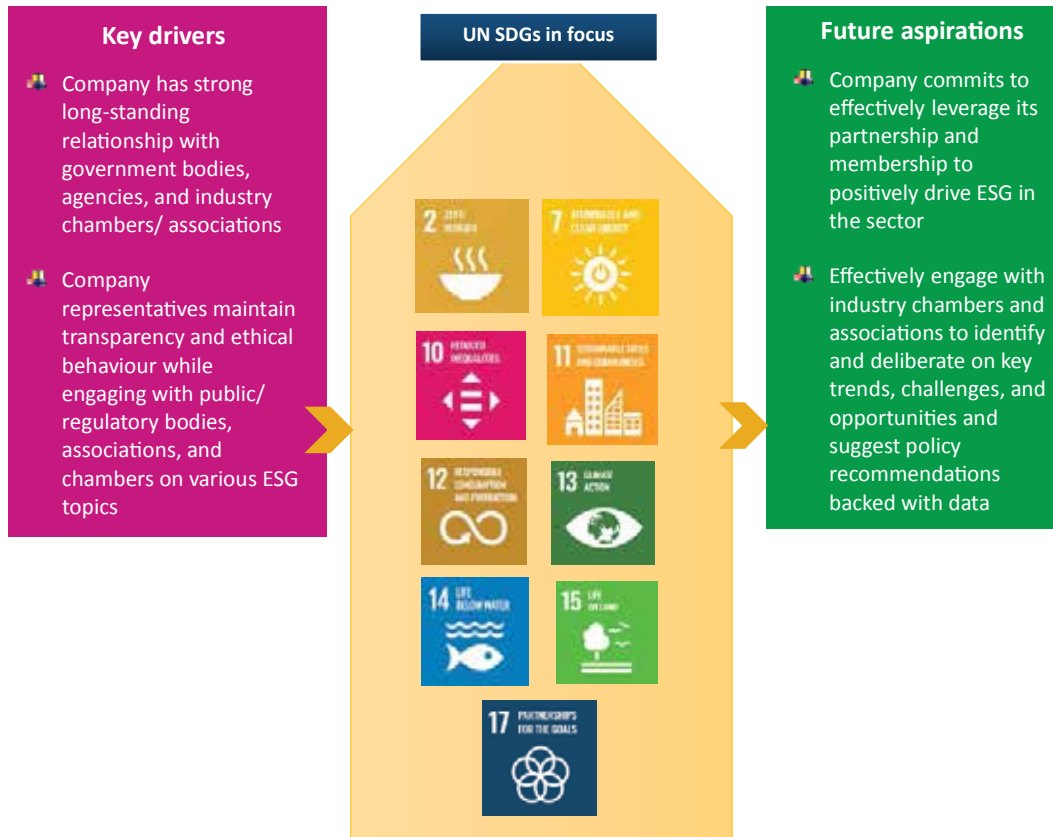
6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?

SPL has not monitored data on any significant adverse impact to the environment arising from the value chain partners during the year. However, SPL has identified that during the transportation of petrochemical based raw materials to the factories, any abnormality or emergency conditions can lead to adverse impacts on the surrounding environment. Utmost care is being taken during the transportation of such raw materials, for which we have developed transport emergency management plan. Also, we provide periodic trainings to the persons associated with and responsible for the safe transportation of raw materials to our factories.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impact.

SPL has not monitored data on percentage of value chain partners assessed during FY 2023-24

**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.**

SPL is a member of seven trade associations.

**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.	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	Organisation 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	Indian Centre for Plastics in the Environment (ICPE)	National
7	All India Liquid Bulk	National

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

Name of Authority	Brief of the case	Corrective action taken
Not applicable since there were no cases of anti-competitive conducted by SPL in FY 2023-24.		

**LEADERSHIP INDICATORS**

**1. Details of public policy positions advocated by the entity**

Sr.	Public policy advocated	Method resort for such advocacy	Whether the information is available in public domain? (Yes/No)	Frequency of review by board (Annually/Half yearly/ Quarterly/Other-please specify)	Web Link, if available
SPL did not contribute to public policy advocacy in FY 2023-24.					

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



**ESSENTIAL INDICATORS**

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

Name and brief details of project	SIA notification no.	Date of notification	Whether conducted by independent external agency (Yes/No)	Resulted communicated in public domain	Relevant Web Link
Due to no applicability of Social impact assessments under Section 135 of the Companies Act 2013, and rules thereto, such assessments have not been conducted in FY 2023-24, but SPL plans for conducting them in the future once the respective rules become applicable to it.					



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

Sr.	Name of project for which R&R is ongoing	State	District	No of Project Affected Families	Percentage of PAF covered by RAR	Amount Paid to PAFs in the FY (in INR)
SPL does not have any projects for which ongoing Rehabilitation and Resettlement (R&R) has been undertaken.						

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

Communities and NGOs can reach SPL through the Public Relations Department at SPL Factory, Nagothane. The Team is responsible for receiving and redressing any grievance/s from the community in an effective, conducive and timely manner (if any).

4. Percentage of input material (inputs to total inputs by value) sourced from local or small-scale suppliers:

	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Directly sourced from MSMEs/Small producers	<1%	<1%
Directly from within India	<1%	<1%

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

Location	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Rural	34.95%	36.85%
Semi-urban	–	–
Urban	0.22%	0.22%
Metropolitan	64.83%	62.93%

(Place to be categorized as per RBI Classification System – rural/semi-urban/urban/metropolitan)

### LEADERSHIP INDICATORS

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Not Applicable, since SPL did not undertake any Social Impact Assessment (SIA) for its CSR Projects during the FY 2023-24.

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

Sr.	State	Aspirational District	Amount Spent in INR
Currently no CSR programs/ interventions are being implemented in Aspirational Districts, as listed down by NITI Aayog, Government of India.			

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized/vulnerable groups? (Yes/No)

No.

- (b) From which marginalized/vulnerable groups do you procure?

Not Applicable.

- (c) What percentage of total procurement (by value) does it constitute?

Not Applicable.





**4. 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.**

Sr. No.	Intellectual Property based on traditional knowledge	Owned/Acquired (Yes/No)	Benefit Shared (Yes/No)	Basis of Calculating Benefit Share
NIL				

**5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

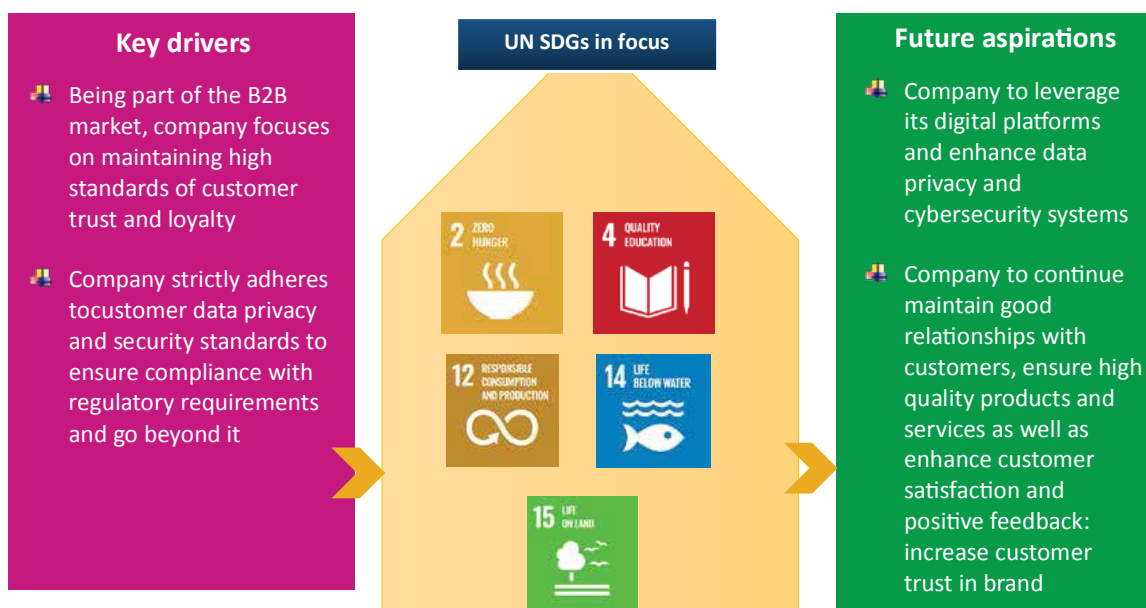
Not Applicable.

**6. Details of beneficiaries of CSR Projects.**

Sr.	CSR Project	No of persons benefited from CSR Projects	Percentage of beneficiaries from vulnerable and marginalized group
1	20 (twenty) Public Toilet Blocks (2 + 2 ) for Villages and Schools in Raigad District	4,600	100
2	Construction of Health Centre at Wangani	The project is currently ongoing and has not reached completion. Consequently, the number of individuals who have benefited from the Corporate Social Responsibility (CSR) initiatives, as well as the proportion of beneficiaries from vulnerable and marginalized groups, cannot be determined at this point of time.	
3	9 Anganwadi buildings in Raigad District	225	100
4	E -learning facilities at Schools in Raigad District & Renewal of Software and Hardware services	428	100
5	Construction of New School Building at Amdoshi.	The project is currently ongoing and has not reached completion. Consequently, the number of individuals who have benefited from the Corporate Social Responsibility (CSR) initiatives, as well as the proportion of beneficiaries from vulnerable and marginalized groups, cannot be determined at this point of time.	
6	Distributions of Notebooks & School bags to nearby schools	590	100
7	Construction of Grampanchayat Building for the Group at Amdoshi Wangani	The project is currently ongoing and has not reached completion. Consequently, the number of individuals who have benefited from the Corporate Social Responsibility (CSR) initiatives, as well as the proportion of beneficiaries from vulnerable and marginalized groups, cannot be determined at this point of time.	
8	11 (Eleven) Water Coolers to nearby schools & Public Health Centres, Anganwadis etc.	428	100
9	Promotion of traditional art and culture	4,400	70
10	Gymnasium Equipment for Rajewadi, Palkhar & Waravatane	396	100
11	5R Cycle Foundation	The project related to environment sustainability is currently going on and has not reached completion. Hence, the number of individuals who have been benefitted from the corporate social responsibility (CSR) project cannot be determined at this point of time.	
12	Catch Foundation	The project related to environment sustainability is currently going on and has not reached completion. Therefore, the number of individuals who have been benefitted from the corporate social responsibility (CSR) project cannot be determined at this point of time.	

Sr.	CSR Project	No of persons benefited from CSR Projects	Percentage of beneficiaries from vulnerable and marginalized group
13	Society of rehabilitation of paraplegics	The project is related to construction of old age home which is currently going on and has not reached completion. Hence, the number of individuals to be benefitted from this project cannot be determined at this point of time.	
14	Vidyadaan Charitable Trust	11	100
15	Ayang Trust	282	99
16	SOS Children's Villages of India	25	100
17	Madat Charitable Trust	118	100
18	Supreme Foundation	1,08,754	100
19	Society of rehabilitation of paraplegics	31	100
20	Akshay Patra Foundation	524	100

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



**ESSENTIAL INDICATORS**

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

SPL has established a thorough procedure to promptly address consumer complaints. The Marketing Team is responsible for receiving and logging complaints from consumers or traders regarding any product-related concerns into the SAP system. Subsequently, the Customer Service and Support (CSS) team endeavours to resolve the complaint directly with the customer. If the issue persists, the manufacturing site is notified to undertake appropriate corrective measures.

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

Type	As a percentage to total turnover
Environment and Social parameters relevant to product	100
Safe and responsible usage	100
Recycling and/or safe disposal	100

**3. Number of consumer complaints**

	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Received during the year	Pending resolution at the end of year	Remarks	Received during the year	Pending resolution at the end of year	Remarks
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	–
Others	0	0	–	10	0	–

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

	Number	Reasons for recall
Voluntary recalls	NA	NA
Forced recalls	NA	NA

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

Yes, SPL has a framework developed on mitigation of cyber security and associated risks. The Policy of Company on cyber security and Data Privacy policy is available at URL: <https://supremepetrochem.com/wp-content/uploads/2024/06/DATA-PRIVACY-POLICY.pdf>

**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.**

During FY 2023-24, no complaints were received regarding the delivery of essential services, advertising, or regulatory actions concerning the safety of products or services. Nevertheless, SPL upholds a zero-tolerance policy towards any form of unethical behaviour or malpractice and adheres to the highest standards of integrity when interacting with stakeholders, ensuring compliance with regulatory requirements across all stakeholder engagements.

**7. Provide the following information relating to data breaches:****a. Number of instances of data breaches**

No data breaches were recorded in FY 2023-24.

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

No data breaches were recorded in FY 2023-24.

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

Not Applicable.

**LEADERSHIP INDICATORS****1. Channels/platforms where information on products and services of the entity can be accessed (provide web link, if available).**

Information related to SPL's products and services can be found on the Official Website: [www.supremepetrochem.com](http://www.supremepetrochem.com)

**2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

SPL's products carry information on safe and responsible usage of the product in the form of processing guidelines and a Troubleshooting Guide to enhance the processing knowledge of the customers regarding the product.



**3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

SPL adheres to relevant regulatory requirements by disclosing information to stakeholders on various business continuity as well as environmental and social aspects. However, in case of any risk of disruption or discontinuation, SPL abides by the regulatory requirements and reaches out to its consumers through digital platforms such as email notifications and Stock Exchange Portals for awareness and updates regarding the situation.

**4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable)? If yes, provide details in brief.**

No.

**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)**

Yes, SPL conducts a Customer Satisfaction Survey once every 2 years for domestic as well as international clients with an aim to get a perspective on their requirements, concerns and suggestions. This is used for decision-making and assessment and improvement of processes internally.



**INDEPENDENT AUDITOR’S REPORT**

**To the Members of Supreme Petrochem Limited**

**Report on the Audit of the Ind-AS Financial Statements**

**Opinion**

We have audited the accompanying Ind-AS financial statements of **SUPREME PETROCHEM LIMITED** (“the Company”), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity, the Statement of Cash Flows for the year then ended and the Notes to the Ind-AS financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as ‘financial statements’).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (Ind-AS) and with other accounting principles generally accepted in India, and of the state of affairs of the Company as at March 31, 2024, and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the ‘Auditor’s Responsibilities for the Audit of the Financial Statements’ section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (‘ICAI’) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules 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 financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr.	Key Audit Matter	Auditor’s Response
	<p><b>Valuation of Inventory:</b></p> <p>Value of Inventory amounting to ₹ 48,060.33 lakhs form a significant part i.e.15.68% 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 realizable 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 realizable value, the Management uses data of sales of finished good available post the year end and the basis of provisions for obsolescence which is based on Management estimate.</p> <p>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.</p>	<p>We have reviewed the stock records and held discussion with the Management. We have verified arithmetical accuracy of valuation records / reports. Inventory at all the locations, except inventory at third party locations were physically verified by the Management as at March 31, 2024, which we have also attended and verified on a test check basis the inventory lying at the Nagothane and Manali plants of the Company.</p> <p>We have verified that the weighted average cost valuation tabulated by the system. We have reviewed the price movement of Styrene Monomer prices with respect to cost to the Company and the contracts entered into by the Company and also have compared such prices with the recent selling prices. We have compared the value of Finished Goods with the last selling prices of the respective finished products to determine the basis of valuation adopted. We have also verified the foreign exchange cover taken by the Company for the foreign currency exposure risk.</p>

**Information Other than the Financial Statements and Auditor’s Report Thereon**

The Company’s Board of Directors is responsible for the other information. The other information comprises the Director’s Report and Report on Corporate Governance but does not include the financial statements and our auditor’s report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the 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 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 Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of the users of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.





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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matter

The financial statements of the Company for the year ended March 31, 2023, have been audited by a firm of Chartered Accountants other than Kalyaniwalla & Mistry LLP, who have expressed an unmodified opinion on those financial statements vide their report dated April 26, 2023, which has been furnished and has been relied upon by us for the purpose of our audit of the financial statements.

Our opinion is not modified in respect of this matter.

### 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 sub-section (11) of Section 143 the Act, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the said Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except for the matter stated in paragraph h(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
  - c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement 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 financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder.

- e) On the basis of the written representations received from the Directors of the Company as on March 31, 2024, and taken on record by the Board of Directors, none of the Directors of the Company are disqualified as on March 31, 2024, from being appointed as a Director in terms of Section 164(2) of the Act.
- f) The observation relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph (b) above on reporting under Section 143(3)(b) and paragraph h(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
- 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, ("the Rules"), in our opinion and to the best of our information and according to the explanations given to us:
  - i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 40 to the financial statements.
  - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii) There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv) The Management has represented that:
    - a) 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 entity(ies) ("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) 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, 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.

Based on such audit procedures performed by us that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11 (e) of the Rules as provided under a) and (b) above contain any material misstatement.

- v) As per information and explanation furnished by Management and based on the records of the Company, the dividend proposed in the previous year, as well as the interim dividend declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.

The Board of Directors of the Company have proposed a final dividend for the year ended March 31, 2024, which is subject to the approval of the members at the ensuing Annual General Meeting. The proposed dividend is in accordance with Section 123 of the Act.

- vi) Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail

(edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except that no audit trail was enabled at the database level for accounting software SAP (database HANA) to log any direct data changes. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with, in respect of accounting software for the period for which the audit trail feature was enabled and operating.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the year ended March 31, 2024.

3. According to information and explanations given to us and based on our examination of the records of the Company, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act.

**For KALYANIWALLA & MISTRY LLP**  
*Chartered Accountants*  
 Firm Reg. No.: 104607W / W100166

**Darius Z. Fraser**  
*Partner*  
 Membership No. 42454  
 UDIN: 24042454BKBKBY1821

Place : Mumbai  
 Date : April 24, 2024.

**ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT**

**The Annexure referred to in paragraph 1 'Report on Other Legal and Regulatory Requirements' in our Independent Auditors' Report to the members of the Company on the financial statements for the year ended March 31, 2024:**

**Statement on Matters specified in paragraphs 3 and 4 of the Companies (Auditor's Report) Order, 2020:**

- i) Property, Plant and Equipment
- 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 showing full particulars of intangible assets.
- b) As explained to us, the Company has a program for physical verification of Property, Plant and Equipment including Right-to-use assets at periodic intervals by which all Property, Plant and Equipment are verified in an annual phased manner. In our opinion, the period of verification is reasonable having regard to the size of the Company and the nature of its Property, Plant and Equipment. The discrepancies reported on such verification are not material and have been properly dealt with in the books of account.
- c) Based on our examination of the registered sales deed provided to us, we report that the title deeds of 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, except for the immovable properties held at Deherand (Maharashtra), Manali (Tamil Nadu) and Nagothane (Maharashtra) for which the title deeds are not reconciled with the books of account.
- d) The Company has not revalued any of its Property, Plant and Equipment (including Right of Use assets) and Intangible assets during the year.
- e) According to the information and explanations given to us, representation obtained from Management and on the basis of our examination of the records of the Company, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2024, for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) (as amended in 2016) and rules made thereunder.
- ii) Inventory
- a) The inventory has been physically verified by the Management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on verification between the physical stocks and the book records were less than 10% in the aggregate for each class of inventories and have been properly dealt with in the books of account.
- b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising (stock statements, book debt statements and other stipulated financial information) filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company of the respective quarters.
- iii) The Company has not made investments in, provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, except in case of loans given to employees.
- (a) The Company has not provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to any other entity, hence reporting under paragraph (iii) (a) is not applicable.
- (b) During the year, the Company has not made investments, provided guarantees, given security and advances in the nature of loans and guarantees provided to companies, firms, limited liability partnerships. However, the Company has granted loans to its employees, the terms and conditions of the grant of loans to its employees being interest free loans are not prejudicial to the interests of the Company.
- (c) In respect of loans to employees and key managerial personnel, the repayment schedule of principal has been stipulated and the receipt / repayments are regular.
- (d) In respect of loans granted to employees and key managerial personnel, there are no amounts overdue for more than ninety days.
- (e) In respect of loans granted to employees and key managerial personnel, there were no amounts which have fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same employees.
- (f) According to information and explanations given to us and based on the audit procedures performed, 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 paragraph (iii)(f) is not applicable.

- iv) According to information and explanation given to us, the Company has not granted any loans, or provided guarantees or securities that are covered under the provisions of sections 185 and 186 of the Companies Act, 2013. During the year, the Company has subscribed for an investment for which the provisions of section 186 of the Companies Act, 2013 have been complied with.
- v) According to the information and explanations given to us and representation obtained from Management, the Company has not accepted deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 of the Act and the rules framed thereunder apply. Accordingly, paragraph (v) of the Order is not applicable to the Company.
- vi) The maintenance of cost records has been prescribed by the Central Government under Section 148(1) of the Act in respect of specified products of the Company. For such products we have broadly reviewed the cost records maintained by the Company pursuant to the Companies

(Cost Records and Audit) Rules, 2014 as amended and are of the opinion that prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

- vii) According to the information and explanations given to us and records of the Company examined by us, in our opinion:
  - a) the Company is generally regular in depositing undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess, Professional Tax and other material applicable statutory dues, with the appropriate authorities during the year. We have been informed that there are no undisputed dues which have remained outstanding as at the last day of the financial year, for a period of more than six months from the date they became payable.
  - b) details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2024, on account of disputes are given below:

(₹ in Lakhs)

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount**
Finance Act 1994	Service Tax	CESTAT	Sept 2013 to June 2014, July 2014 to May 2015	110.33
Tamil Nadu VAT Act, 2006	VAT and Penalty	Additional Commissioner	FY 2012-2013	1.20
Goods and Services Act, 2017	Goods and Service Tax Act	Deputy Commissioner (Appeals)	FY 2016-2017	16.71
Goods and Services Act, 2017	Goods and Service Tax Act	Joint Commissioner (Appeals IV)	July 2017-March 2018	2,067.23
Goods and Services Act, 2017	Goods and Service Tax Act	Yet to file an Appeal	FY 2018-2019	5,771.70
Income Tax Act, 1961	Income tax	Income Tax Commissioner (Appeal)	FY 2019-2020	12.58

\*\* includes penalty and interest on taxes where applicable and is net of amounts paid under protest

- viii) According to the information and explanations given to us and on the basis of the records examined by us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix) Borrowings
  - a) In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, the Company did not have any loans or borrowings from any lender during the year. Accordingly, paragraph 3(ix)(a) of the Order is not applicable to the Company.
  - b) In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or other lenders.
  - c) In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, the Company has not taken any term loans from any lender. Accordingly, paragraph 3(ix)(c) of the Order is not applicable to the Company.
  - d) According to the information and explanations given to us by Management and based on our examination



- of the records of the Company, the Company has not raised any funds on short-term basis. Accordingly, paragraph 3(ix)(d) of the Order is not applicable to the Company.
- e) According to the information and explanations given to us, representation obtained from Management, and on an overall examination of the financial statements of the Company, the Company does not have any subsidiaries, associates or joint ventures and accordingly reporting on paragraphs 3(ix)(e) and (f) of the Order are not applicable.
- x) Allotment of Shares
- a) According to the information and explanations given to us, representation obtained from Management, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions of paragraph 3(x)(a) of the Order is not applicable to the Company.
- b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions of paragraph 3(x)(b) of the Order is not applicable to the Company.
- xi) Fraud
- a) According to the information and explanations given to us, on the basis of the records examined by us and representation from Management, no fraud by the Company or any material fraud on the Company has been noticed or reported during the year.
- b) No report under sub-section (12) of Section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- c) As represented to us by the Management, there are no whistle blower complaints received by the Company during the year.
- xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions of paragraph 3(xii) of the Order is not applicable to the Company.
- xiii) According to the information and explanations given to us and based on our examination of the records of the Company, the transactions with related parties are in compliance with sections 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.
- xiv) Internal Audit System
- a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv) According to the information and explanations given to us and based on our examination of the records of the Company, during the year the Company has not entered into any non-cash transactions with Directors or persons connected with its directors and hence provisions of Section 192 of the Act are not applicable to the Company.
- xvi) In respect of registration u/s 45-IA
- (a) In our opinion, according to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and has also not conducted any Non-Banking Financial or Housing Finance activities. Hence, reporting under clause 3(xvi)(a) and (b) of the Order are not applicable.
- (c) The Company and any other company in the Group is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Hence, reporting under clause 3(xvi)(c) and (d) of the Order are not applicable.
- xvii) According to the information and explanations given to us and based on our examination of the financial statements of the Company, the Company has not incurred cash losses during the current financial year and the immediately preceding financial year.
- xviii) There has been no resignation of the statutory auditor 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 representation received from Management. Our report does not give 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, 2013 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 transferred unspent Corporate Social Responsibility (CSR) amount as at the end of March 31, 2023, and March 31, 2024, respectively, to a Special account within a period of 30 days from the end of the said

financial years in compliance with the provision of section 135(6) of the Act.

**For KALYANIWALLA & MISTRY LLP**

*Chartered Accountants*

Firm Reg. No.: 104607W / W100166

**Daraius Z. Fraser**

*Partner*

Membership No. 42454

UDIN: 24042454BKBKBY1821

Place : Mumbai

Date : April 24, 2024.





## **ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT**

**(Referred to in Para 2 (g) Report on Other Legal and Regulatory Requirements in our Independent Auditor's Report to the members of the Company on the financial statements for the year ended March 31, 2024)**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act**

We have audited the internal financial controls with reference to financial statements of **SUPREME PETROCHEM LIMITED** ("the Company") as of March 31, 2024, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### **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) (the "Guidance Note"). 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 Companies Act, 2013 (the "Act" or the "Companies 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 and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and

their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the 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 financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that:

- 1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- 2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the company are being made only in accordance with 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 financial statements.

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

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate



because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, to the best of our knowledge and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the internal control with reference to financial statements criteria established by

the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

**For KALYANIWALLA & MISTRY LLP**

*Chartered Accountants*

Firm Reg. No.: 104607W / W100166

**Darius Z. Fraser**

*Partner*

Place : Mumbai

Date : April 24, 2024.

Membership No. 42454

UDIN: 24042454BKBKBY1821



**BALANCE SHEET AS AT MARCH 31, 2024**

(₹ in Lakhs)

Particulars	Note No	As at March 31, 2024	As at March 31, 2023
<b>ASSETS</b>			
<b>1. Non-Current Assets</b>			
(a) Property, Plant and Equipment	2	65,746.56	51,151.22
(b) Capital Work-In-Progress	3	23,261.46	10,804.27
(c) Right-of-use Assets	4	11,101.70	1,470.46
(d) Other Intangible Assets	5	26.49	38.80
(e) Financial Assets			
(i) Loans	6	126.50	194.94
(ii) Other Financial Assets	7	637.49	2,537.71
(f) Other Non-Current Assets	8	5,310.53	4,061.24
<b>Total non-current assets</b>		<b>1,06,210.73</b>	<b>70,258.64</b>
<b>2. Current Assets</b>			
(a) Inventories	9	48,060.33	64,693.14
(b) Financial Assets			
(i) Investments	10	57,179.58	56,255.07
(ii) Trade Receivables	11	39,497.14	36,229.13
(iii) Cash and Cash Equivalents	12	21,591.45	8,181.45
(iv) Bank Balances other than (iii) above	13	30,445.47	26,770.27
(v) Loans	14	80.25	87.81
(vi) Other Current Financial Assets	15	740.10	5,630.06
(c) Current Tax Assets (Net)		476.25	1,303.39
(d) Other Current Assets	16	2,201.62	3,692.99
<b>Total current assets</b>		<b>2,00,272.19</b>	<b>2,02,843.31</b>
<b>TOTAL ASSETS</b>		<b>3,06,482.92</b>	<b>2,73,101.95</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share Capital	17	3,760.83	3,760.83
(b) Other equity	18	1,98,150.43	1,80,625.68
<b>Total Equity</b>		<b>2,01,911.26</b>	<b>1,84,386.51</b>
<b>LIABILITIES</b>			
<b>1. Non-Current Liabilities</b>			
(a) Financial Liabilities			
(i) Lease Liabilities	19	9,825.60	236.85
(ii) Other Financial Liabilities	20	413.00	358.33
(b) Provisions	21	726.99	362.01
(c) Deferred Tax Liabilities (Net)	22	3,734.02	3,540.72
<b>Total Non-Current Liabilities</b>		<b>14,699.61</b>	<b>4,497.91</b>



**BALANCE SHEET AS AT MARCH 31, 2024 (Cont'd....)**

(₹ in Lakhs)

Particulars	Note No	As at March 31, 2024	As at March 31, 2023
<b>2. Current Liabilities</b>			
(a) Financial Liabilities			
(i) Lease Liabilities	23	1,588.76	1,428.75
(ii) Trade Payables	24		
– Total outstanding dues of micro and small enterprises		258.88	101.13
– Total outstanding dues of creditors other than micro and small enterprises		80,632.34	78,101.20
(iii) Other Financial Liabilities	25	4,549.84	2,961.54
(b) Current Tax Liabilities (Net)		621.78	61.19
(c) Provisions	26	286.03	218.77
(d) Other Current Liabilities	27	1,934.42	1,344.95
<b>Total Current Liabilities</b>		<b>89,872.05</b>	<b>84,217.53</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>3,06,482.92</b>	<b>2,73,101.95</b>
<b>Material 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 and on behalf of the Board of Directors**

For **Kalyaniwalla & Mistry LLP**  
Chartered Accountants  
Firm Registration No. 104607W / W100166

**M. P. Taparia**  
Chairman  
(DIN No.00112461)

**Rajan B. Raheja**  
Director  
(DIN No.00037480)

**B. L. Taparia**  
Director  
(DIN No.00112438)

**S. J. Taparia**  
Director  
(DIN No. 00112513)

**Daraius Z. Fraser**  
Partner  
Membership No.: 42454

**R. Kannan**  
Director  
(DIN No. 00380328)

**Ameeta Parpia**  
Director  
(DIN No.02654277)

**Dr. S. Sivaram**  
Director  
(DIN No.00009900)

**Rajeev Pandia**  
Director  
(DIN No.00021730)

**K.V. Mujumdar**  
Director  
(DIN No.08866096)

**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 24, 2024

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2024**

(₹ in Lakhs)

Particulars	Note No.	Year Ended March 31, 2024	Year Ended March 31, 2023
<b>INCOME</b>			
<b>Revenue from operations</b>			
Sale of Products	28	5,23,648.88	5,27,760.18
Other Operating Revenues	28	1,685.60	960.29
		<b>5,25,334.48</b>	5,28,720.47
Other Income	29	6,814.27	5,893.59
<b>TOTAL INCOME</b>		<b>5,32,148.75</b>	5,34,614.06
<b>EXPENSES</b>			
Cost of Materials Consumed	30	3,25,515.98	3,21,419.60
Purchase of Stock-in-trade	31	1,19,405.75	1,19,064.28
Changes in Inventories of Finished Goods and Work-in-process	32	(614.54)	(10,586.15)
Employee Benefits Expense	33	6,349.01	5,471.86
Finance Costs	34	722.16	357.61
Depreciation and Amortisation Expense	35	5,948.79	4,660.27
Other Expenses	36	27,999.97	27,537.89
<b>TOTAL EXPENSES</b>		<b>4,85,327.12</b>	4,67,925.36
<b>Profit Before Tax</b>		<b>46,821.63</b>	66,688.70
<b>Tax Expense</b>			
Current Tax	22	11,912.09	16,760.51
Deferred Tax charge / (credit)	22	260.70	114.41
<b>Income Tax Expense</b>		<b>12,172.79</b>	16,874.92
<b>Profit for the Year</b>		<b>34,648.84</b>	49,813.78
<b>Other Comprehensive Loss</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurement of the defined benefit plans		267.77	58.24
Income-tax relating to items that will not be reclassified to profit or loss		(67.40)	(14.66)
<b>Total Other Comprehensive Loss</b>		<b>200.37</b>	43.58
<b>Total Comprehensive Income for the Year</b>		<b>34,448.47</b>	49,770.20
<b>Earning Per Share (₹)</b>	48		
Basic		18.43	26.49
Diluted		18.43	26.49
<b>Nominal Value of Equity Share (₹)</b>		<b>2.00</b>	2.00
<b>Material Accounting Policies</b>	1		

As per our report of even date.

For and on behalf of the Board of Directors

For Kalyaniwalla & Mistry LLP  
Chartered Accountants  
Firm Registration No. 104607W / W100166

**M. P. Taparia**  
Chairman  
(DIN No.00112461)

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(DIN No.00037480)

**B. L. Taparia**  
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(DIN No. 00112513)

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Partner  
Membership No.: 42454

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(DIN No.02654277)

**Dr. S. Sivaram**  
Director  
(DIN No.00009900)

**Rajeev Pandia**  
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**K.V. Mujumdar**  
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**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 24, 2024

STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

A: EQUITY SHARE CAPITAL	Balance as at April 1, 2023	Changes in equity share capital due to prior Period Errors	Restated Balance as at April 1, 2023	Changes in equity share capital during the year	Balance as at March 31, 2024
Particulars					
For the Year ended March 31, 2024	3,760.83	-	3,760.83	-	3,760.83
	Balance as at April 1, 2022	Changes in equity share capital due to prior Period Errors	Restated Balance as at April 1, 2022	Changes in equity share capital during the year	Balance as at March 31, 2023
For the Year ended March 31, 2023	3,760.83	-	3,760.83	-	3,760.83

B: OTHER EQUITY	Reserves and Surplus			TOTAL
	Capital Redemption Reserve	General Reserve	Retained Earnings	
Particulars				
Opening Balance as on April 1, 2023	1,811.59	1,44,829.63	33,984.46	1,80,625.68
Change in Accounting Policy / Prior period Error	-	-	-	-
Restated Balance as on April 1, 2023	1,811.59	1,44,829.63	33,984.46	1,80,625.68
Remeasurement of defined benefit plans	-	-	(200.37)	(200.37)
Profit for the Year	-	-	34,648.84	34,648.84
Total Comprehensive Income for the year	-	-	34,448.47	34,448.47
Dividends paid to Share holder	-	-	(16,923.72)	(16,923.72)
Transfer to General Reserve	-	17,500.00	(17,500.00)	-
Balance at March 31, 2024	1,811.59	1,62,329.63	34,009.21	1,98,150.43

Particulars	Reserves and Surplus			TOTAL
	Capital Redemption Reserve	General Reserve	Retained Earnings	
Opening Balance as on April 1, 2022	1,811.59	1,19,852.92	26,137.98	1,47,802.49
Change in Accounting Policy / Prior period Error	-	-	-	-
Restated Balance as on April 1, 2022	1,811.59	1,19,852.92	26,137.98	1,47,802.49
Capital Redemption Expenses	-	(23.29)	-	(23.29)
Remeasurement of defined benefit plans	-	-	(43.58)	(43.58)
Profit for the Year	-	-	49,813.78	49,813.78
Total Comprehensive Income for the year	-	-	49,770.20	49,770.20
Dividends paid to Share holder	-	-	(16,923.72)	(16,923.72)
Transfer to General Reserve	-	25,000.00	(25,000.00)	-
Balance at March 31, 2023	1,811.59	1,44,829.63	33,984.46	1,80,625.68

As per our report of even date.

For and on behalf of the Board of Directors

For Kalyaniwalla & Mistry LLP Chartered Accountants Firm Registration No. 104607W / W100166	<b>M. P. Taparia</b> Chairman (DIN No.00112461)	<b>Rajan B. Raheja</b> Director (DIN No.00037480)	<b>B. L. Taparia</b> Director (DIN No.00112438)	<b>S. J. Taparia</b> Director (DIN No. 00112513)
<b>Daraius Z. Fraser</b> Partner Membership No.: 42454	<b>R. Kannan</b> Director (DIN No. 00380328)	<b>Ameeta Parpia</b> Director (DIN No.02654277)	<b>Dr. S. Sivaram</b> Director (DIN No.00009900)	<b>Rajeev Pandia</b> Director (DIN No.00021730)
	<b>K.V. Mujumdar</b> Director (DIN No.08866096)	<b>N. Gopal</b> Executive Director (Styrenics) & Manager	<b>Rakesh Nayyar</b> Executive Director (Finance & Corporate Affairs) & Chief Financial Officer	<b>D.N. Mishra</b> Company Secretary

Place : Mumbai  
Date : April 24, 2024





## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
<b>A Cash flows from operating activities</b>		
Profit before tax	46,821.63	66,688.70
Adjustments for :		
Depreciation and amortisation expense	5,948.79	4,660.27
Loss / (Gain) on disposal of property, plant and equipment	350.49	(2.95)
Loss / (Gain) on disposal of Right-of-use Assets and Lease Liabilities	(25.61)	–
Allowance for Expected Credit Loss	(9.30)	–
Adjustment towards IND AS impact	(39.03)	(5.02)
Investment classified under investment activity	(6,607.37)	(5,268.83)
Finance costs	722.16	357.61
Unrealised loss / (gain) on foreign currency transaction exchange differences (Net)	298.52	(1.33)
<b>Operating profit before working capital changes</b>	<b>47,460.28</b>	<b>66,428.45</b>
Adjustments for :		
Decrease / (Increase) in trade receivables	(3,229.50)	5,028.26
Decrease / (Increase) in inventories	16,632.81	(34,617.57)
Decrease / (Increase) in other financial assets	(135.43)	(2,369.94)
Decrease / (Increase) in non-current assets	(131.74)	39.93
Decrease / (Increase) in current assets	1,491.37	(534.53)
Decrease / (Increase) in restricted bank balance	(174.20)	(1,766.27)
(Decrease) / Increase in trade payables	2,342.56	25,531.33
(Decrease) / Increase in provisions	700.01	(81.34)
(Decrease) / Increase in non-current financial liability	54.67	26.88
(Decrease) / Increase in other financial liabilities	626.74	(5,634.28)
(Decrease) / Increase in other current liabilities	589.47	(4,553.63)
<b>Cash generated from operating activities</b>	<b>66,227.04</b>	<b>47,497.29</b>
Direct taxes paid (net of refunds)	(10,524.37)	(17,133.24)
<b>Net cash generated from operating activities (A)</b>	<b>55,702.67</b>	<b>30,364.05</b>
<b>B Cash flows from investing activities</b>		
Payments for acquisition of property, plant and equipment	(31,309.17)	(20,532.87)
Payments for software development costs	–	(45.75)
Proceeds from sale of property, plant and equipment	72.74	17.72
Proceeds from sale of mutual fund	3,93,264.89	5,76,792.16
Payments for mutual fund	(3,85,969.26)	(5,73,163.95)
Proceeds from sale of bonds	517.10	–
Payments for bonds	(2,528.80)	–
Maturity on corporate fixed deposit (Net)	5,006.00	494.00
Interest received	2,769.37	1,754.34
<b>Net cash used in investing activities (B)</b>	<b>(18,177.13)</b>	<b>(14,684.35)</b>



**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2024 (Contd...)**

(₹ in Lakhs)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
<b>C Cash flows from financing activities</b>		
Interest paid	(51.84)	(50.94)
Expenses related to capital reduction	–	(23.29)
Dividends paid to equity shareholders	(16,923.72)	(16,923.72)
Repayment of lease liability	(2,714.47)	(2,364.99)
<b>Net cash (used in)/generated from financing activities (C)</b>	<b>(19,690.03)</b>	<b>(19,362.94)</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>17,835.51</b>	<b>(3,683.24)</b>
Cash and cash equivalents at the beginning of the year	89,440.52	93,123.76
<b>Cash and cash equivalents at the end of the year</b>	<b>1,07,276.03</b>	<b>89,440.52</b>
<b>Cash and cash equivalents comprise:</b>		
Cash and cash equivalents	21,591.45	8,181.45
Bank balance other than above *	28,505.00	25,004.00
Investment in mutual fund and bonds	57,179.58	56,255.07
<b>Balance as per cash flow statement</b>	<b>1,07,276.03</b>	<b>89,440.52</b>
<b>* Restricted bank balance</b>		
<b>Excludes bank balance in Escrow account</b>	<b>1,940.47</b>	<b>1,766.27</b>
The accompanying notes are an integral part of the financial statements		

As per our report of even date.

**For and on behalf of the Board of Directors**

For **Kalyaniwalla & Mistry LLP**  
Chartered Accountants  
Firm Registration No. 104607W / W100166

**M. P. Taparia**  
Chairman  
(DIN No.00112461)

**Rajan B. Raheja**  
Director  
(DIN No.00037480)

**B. L. Taparia**  
Director  
(DIN No.00112438)

**S. J. Taparia**  
Director  
(DIN No. 00112513)

**Daraius Z. Fraser**  
Partner  
Membership No.: 42454

**R. Kannan**  
Director  
(DIN No. 00380328)

**Ameeta Parpia**  
Director  
(DIN No.02654277)

**Dr. S. Sivaram**  
Director  
(DIN No.00009900)

**Rajeev Pandia**  
Director  
(DIN No.00021730)

**K.V. Mujumdar**  
Director  
(DIN No.08866096)

**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 24, 2024

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024****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) with manufacturing facilities at Amdoshi Dist Raigad, Maharashtra and Manali New Town, Chennai, Tamil Nadu.

**Authorisation of financial statements**

The financial statements were authorized for issue in accordance with a resolution of the Board of Directors passed on April 24, 2024.

**1. Material Accounting Policies****1.1. Statement of Compliance**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act 2013 (“the Act”) read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time and other relevant provisions of the Act.

**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 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 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.

The 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.

- 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 compensated absences 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. 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 assets recoverable amount is the higher of an assets or cash-generating units (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.

### **1.6. 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.

### **1.7. 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.

### **1.8. 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:**

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

On initial recognition, a financial asset is recognised at fair value, except for trade receivables that do not contain a significant financing component are measured at transaction price.

The subsequent measurement of a financial asset depends on the classification of the asset on the basis of business model for managing such assets and the contractual cash flow characteristics of such asset. These classifications are:

- amortised cost
- fair value through profit and loss (FVTPL)
- fair value through other comprehensive income (FVOCI).

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

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

#### **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.

#### **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.

#### **Financial Assets measured at fair value through profit and loss**

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

#### **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:**

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

**1.9. 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.

#### 1.10. 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.

#### 1.11. 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.

##### 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 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, without any ceiling. 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.

Payment to defined contribution plans are recognized as an expense when employees have rendered the services entitling them to the contribution.

#### **D. Other Long-Term Employee Benefits – Compensated Absences**

The Company provides for compensated absences 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.

### **1.12.Revenue Recognition**

Revenue is recognized upon transfer of control of promised goods to Customers (i.e. when performance obligation is satisfied)

Revenue from sale of goods is recognised when control of the products being sold is transferred to the customer and when there are no longer any unfulfilled obligations. The Performance Obligations in the contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on terms with customers for an amount that reflects the consideration which the Company expects to receive in exchange for those products.

Revenue is measured on the basis of the contracted price, after deduction of any 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 by the insurance company.

### 1.13. 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.

### 1.14. 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.

### 1.15. 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 (CODM). Company's primary operating segment is Styrenics business. The Company also operates in masterbatches, compounds and coloured products of styrenics and other Polymers, and miscellaneous others. Compounds/ masterbatches/ coloured products of Styrenics, share manufacturing assets and facilities with styrenics, have similar pattern, customer profile and distribution channels therefore do not have separately identifiable discreet financial information. The entire business of Masterbatches, Compounds and coloured products have therefore been aggregated with Styrenics business. Masterbatches Compounds and coloured products and miscellaneous others individually account for less than threshold of total sale revenue specified in Ind AS 108, Para 13. The Company accordingly reports its financials under one segment 'Styrenics and allied products'.

### 1.16. 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.

### **1.17.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.

#### **Other Accounting Policies:**

### **1.18.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.

### **1.19.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.

### **1.20.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.

**NOTE : 2**

**Property, Plant and Equipment**

(₹ in Lakhs)

Particulars	GROSS BLOCK *				DEPRECIATION			NET BLOCK	
	As On April 1, 2023	Additions	Disposals / Write off / Adjustment	As On March 31, 2024	Upto March 31, 2023	For the Year	On Disposals / Adjustments	Upto March 31, 2024	As On March 31, 2024
<b>TANGIBLE ASSETS</b>									
Freehold Land	3,939.70	13,211.94	–	<b>17,151.64</b>	–	–	–	–	<b>17,151.64</b>
Buildings	16,589.37	746.06	67.27	<b>17,268.16</b>	3,554.72	617.56	22.82	<b>4,149.46</b>	<b>13,118.70</b>
Plant and Equipment	46,825.89	4,417.31	761.83	<b>50,481.37</b>	13,258.63	2,898.91	389.53	<b>15,768.01</b>	<b>34,713.36</b>
Office Equipment	168.77	21.45	7.63	<b>182.59</b>	50.92	28.64	6.24	<b>73.32</b>	<b>109.27</b>
Computers	436.40	125.43	29.94	<b>531.89</b>	314.22	56.40	28.82	<b>341.80</b>	<b>190.09</b>
Air-conditioners	106.22	2.95	1.96	<b>107.21</b>	32.06	16.06	1.92	<b>46.20</b>	<b>61.01</b>
Vehicles	322.91	156.18	26.53	<b>452.56</b>	119.65	44.17	22.81	<b>141.01</b>	<b>311.55</b>
Furniture and Fixtures	190.70	14.67	2.68	<b>202.69</b>	98.54	15.68	2.47	<b>111.75</b>	<b>90.94</b>
<b>Total</b>	<b>68,579.96</b>	<b>18,695.99</b>	<b>897.84</b>	<b>86,378.11</b>	<b>17,428.74</b>	<b>3,677.42</b>	<b>474.61</b>	<b>20,631.55</b>	<b>65,746.56</b>

Notes:

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).

On July 1, 2015, the Company had elected to value its Property, Plant and Equipment at historical cost as per IGAAP.

\* On historical cost basis the gross block as on March 31,2024 is ₹ 1,16,518.87 Lakhs

(₹ in Lakhs)

Particulars	GROSS BLOCK*				DEPRECIATION			NET BLOCK	
	As On April 1, 2022	Additions	Disposals / Write off / Adjustment	As On March 31, 2023	Upto March 31, 2022	For the Year	On Disposals / Adjustments	Upto March 31, 2023	As On March 31, 2023
<b>TANGIBLE ASSETS</b>									
Freehold Land	3,939.70	–	–	3,939.70	–	–	–	–	3,939.70
Buildings	11,168.49	5,420.88	–	16,589.37	3,089.32	465.40	–	3,554.72	13,034.65
Plant and Equipment	29,109.16	17,716.73	–	46,825.89	11,198.19	2,060.44	–	13,258.63	33,567.26
Office Equipment	80.75	93.11	5.09	168.77	43.71	11.59	4.38	50.92	117.85
Computers	352.24	95.29	11.13	436.40	275.36	49.63	10.77	314.22	122.18
Air-conditioners	45.56	61.34	0.68	106.22	28.25	4.45	0.64	32.06	74.16
Vehicles	216.55	159.55	53.19	322.91	127.27	34.53	42.15	119.65	203.26
Furniture and Fixtures	138.62	52.65	0.57	190.70	88.46	10.61	0.53	98.54	92.16
<b>Total</b>	<b>45,051.07</b>	<b>23,599.55</b>	<b>70.66</b>	<b>68,579.96</b>	<b>14,850.56</b>	<b>2,636.65</b>	<b>58.47</b>	<b>17,428.74</b>	<b>51,151.22</b>

Notes :

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).

On July 1, 2015, the Company had elected to value its Property, Plant and Equipment at historical cost as per IGAAP.

\* On historical cost basis the gross block as on March 31,2023 is ₹ 99,946.69 Lakhs.





**NOTE : 3**

**Capital Work-In-Progress**

(₹ in Lakhs)

	As at March 31, 2024	As at March 31, 2023
Capital work-in-progress	23,261.46	10,804.27
	<b>23,261.46</b>	<b>10,804.27</b>

**Capital work-in-progress ageing schedule**

(₹ in Lakhs)

As At March 31, 2024 CWIP	Amount in CWIP for a period of				
	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	Total
Projects in progress	11,595.93	4,371.04	2,040.10	-	18,007.06
Project stores	358.65	518.59	4,377.16	-	5,254.40
<b>Total</b>	<b>11,954.58</b>	<b>4,889.63</b>	<b>6,417.26</b>	<b>-</b>	<b>23,261.46</b>

With aging schedule as at 31st March 2022

(₹ in Lakhs)

As At March 31, 2023	Amount in CWIP for a period of				
	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	Total
Projects in progress	6,974.04	2,028.89	97.47	-	9,100.40
Project stores	1,257.92	353.38	6.53	86.04	1,703.87
<b>Total</b>	<b>8,231.96</b>	<b>2,382.27</b>	<b>104.00</b>	<b>86.04</b>	<b>10,804.27</b>

**NOTE 4 :**

**Right to Use Assets**

(₹ in Lakhs)

ASSETS	GROSS BLOCK				DEPRECIATION / AMORTISATION				NET BLOCK
	As On April 1, 2023	Additions	Disposals	As On March 31, 2024	Upto March 31, 2023	For the Year	On Disposals	Upto March 31, 2024	As On March 31, 2024
Building	1,114.73	-	-	1,114.73	822.23	212.15	-	1,034.38	80.35
Machinery	5,658.08	12,147.85	665.39	17,140.54	4,480.12	2,046.89	407.82	6,119.19	11,021.35
<b>Total</b>	<b>6,772.81</b>	<b>12,147.85</b>	<b>665.39</b>	<b>18,255.27</b>	<b>5,302.35</b>	<b>2,259.04</b>	<b>407.82</b>	<b>7,153.57</b>	<b>11,101.70</b>

(₹ in Lakhs)

ASSETS	GROSS BLOCK				DEPRECIATION / AMORTISATION				NET BLOCK
	As On April 1, 2022	Additions	Disposals	As On March 31, 2023	Upto March 31, 2022	For the Year	On Disposals	Upto March 31, 2023	As On March 31, 2023
Building	1,114.73	-	-	1,114.73	610.07	212.16	-	822.23	292.50
Machinery	5,658.08	-	-	5,658.08	2,721.71	1,758.41	-	4,480.12	1,177.96
<b>Total</b>	<b>6,772.81</b>	<b>-</b>	<b>-</b>	<b>6,772.81</b>	<b>3,331.78</b>	<b>1,970.57</b>	<b>-</b>	<b>5,302.35</b>	<b>1,470.46</b>

**NOTE 5 :**

**Other Intangible Assets**

(₹ in Lakhs)

ASSETS	GROSS BLOCK				DEPRECIATION / AMORTISATION				NET BLOCK
	As On April 1, 2023	Additions	Disposals / Write off / Adjustment	As On March 31, 2024	Upto March 31, 2023	For the Year	On Disposals	Upto March 31, 2024	As On March 31, 2024
Computer Software	322.36	–	–	322.36	283.56	12.31	–	295.87	26.49
<b>Total</b>	<b>322.36</b>	<b>–</b>	<b>–</b>	<b>322.36</b>	<b>283.56</b>	<b>12.31</b>	<b>–</b>	<b>295.87</b>	<b>26.49</b>

(₹ in Lakhs)

ASSETS	GROSS BLOCK				DEPRECIATION / AMORTISATION				NET BLOCK
	As On April 1, 2022	Additions	Disposals / Write off / Adjustment	As On March 31, 2023	Upto March 31, 2022	For the Year	On Disposals	Upto March 31, 2023	As On March 31, 2023
Computer Software	320.88	45.74	44.26	322.36	272.23	53.04	41.71	283.56	38.80
<b>Total</b>	<b>320.88</b>	<b>45.74</b>	<b>44.26</b>	<b>322.36</b>	<b>272.23</b>	<b>53.04</b>	<b>41.71</b>	<b>283.56</b>	<b>38.80</b>

**NOTE : 6**

**Loans Considered Good - Unsecured**

(₹ in Lakhs)

	As at March 31, 2024	As at March 31, 2023
<b>Other Loans</b>		
Loans to Related Parties - Key Managerial Personnel	14.52	21.85
Loans to Employees Others	111.98	173.09
	<b>126.50</b>	<b>194.94</b>

The above loan amount includes Ind AS fair value adjustments.

There are no loans or advances in the nature of loans granted to Promoters, Directors, KMPs and their related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are:

- (i) repayable on demand; or
- (ii) without specifying any terms or period of repayment

**NOTE : 7**

**Other Financial Assets**

(₹ in Lakhs)

	As at March 31, 2024	As at March 31, 2023
Security Deposits	599.39	521.81
Bank Fixed Deposits with Maturity more than 12 months	–	2,000.00
Earmarked Balances with Banks (Fixed Deposits under Lien)	36.80	15.90
Share Application Money Paid Pending Allotment (Refer Note 40 (2))	1.30	–
	<b>637.49</b>	<b>2,537.71</b>



**NOTE : 8**

**Other Non Current Assets**

	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Capital Advances	5,169.31	4,051.76
<b>Other than Capital Advance:</b>		
Deposits with Statutory Authorities	105.87	9.48
Prepaid Expenses	35.35	—
	<u>5,310.53</u>	<u>4,061.24</u>

**NOTE : 9**

**Inventories**

	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Refer Note No 1.6 for Accounting Policy on Inventories		
Raw Materials and Packing Materials	26,668.00	44,446.09
Work-in-Progress	232.29	300.17
Finished Goods	15,979.13	15,081.17
Finished Goods in Transit	2,840.20	3,055.73
Stores and Spares	2,267.90	1,731.87
Fuel	72.81	78.11
	<u>48,060.33</u>	<u>64,693.14</u>

9.1 The cost of inventories is after recognising write down of inventory to net realisable value in respect of finished goods ₹ 286.79 lakhs. (Previous Year ₹ 314.24 lakhs)

**NOTE : 10**

**Investments**

**Investment Carried at Fair Value Through Profit or Loss**

	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
a. Investments in Mutual Funds (Quoted)	55,158.50	56,255.07
b. Investments in Government Bonds (Quoted)	2,021.08	—
	<u>57,179.58</u>	<u>56,255.07</u>
Aggregate amount of quoted investments	57,179.58	56,255.07
Aggregate amount of unquoted investments	—	—
Aggregate market value of quoted investments	57,179.58	56,255.07
Aggregate amount of impairment in value of investments	—	—

**NOTE : 11**

**Trade Receivables**

	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Trade Receivables Secured - Considered Good	-	-
Trade Receivables Unsecured - Considered Good	39,500.88	36,242.00
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables - credit impaired	22.97	23.14
	<u>39,523.85</u>	<u>36,265.14</u>
Less : Allowance for Expected credit loss	26.71	36.01
	<u>39,497.14</u>	<u>36,229.13</u>

Refer Note 39 for information about credit risk and foreign currency risk of trade receivables.

Outstanding for following periods from due date of payment

	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
a) Undisputed Trade Receivables - Considered Good	39,500.88	36,242.00
- Not Due	36,827.51	32,748.14
- Less than 6 months	2,671.87	3,320.47
- 6 months - 1 year	1.50	171.44
- 1 - 2 years	-	1.95
b) Undisputed Trade Receivables - Credit Impaired	1.58	1.75
- 1 - 2 years	1.58	1.07
- 2 - 3 years	-	0.55
- More than 3 years	-	0.13
c) Disputed Trade Receivables - Credit Impaired	21.39	21.39
- More than 3 years	21.39	21.39
<b>Total Amount</b>	<u>39,523.85</u>	<u>36,265.14</u>

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 its initial recognition.

The concentration of credit risk is limited due to the fact that the customer base is large and unrelated.

There are no debts due by Directors or other Officers of the Company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any Director is a Partner or a Director or a Member.

	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
<b>Movement in the Expected Credit Loss Allowance</b>		
Balance at the beginning of the year	36.01	43.89
Add : Provision during the year	-	-
Less : Reduction in Provision	9.30	7.88
<b>Balance at the end of the year</b>	<u>26.71</u>	<u>36.01</u>

Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses.

**NOTE : 12****Cash and Cash Equivalents**

	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
<b>Balances with banks</b>		
– in current accounts	6,079.56	6,322.68
– in deposits with maturity less than 3 Months	15,501.00	1,747.00
Cheques on hand	0.35	101.84
Cash on hand	10.54	9.93
	<b>21,591.45</b>	<b>8,181.45</b>

**NOTE : 13****Other Balances with Banks**

	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Earmarked Balances with Banks (Unpaid Dividend)	758.22	724.31
Earmarked Balances with Banks (Ongoing Project Of CSR)	497.58	389.91
Earmarked Balances with Banks for Reduction of Share Capital	63.61	63.86
Deposits with Maturity more than 3 months but less than 12 months	28,505.00	25,004.00
Earmarked Balances with Banks (Fixed Deposits under Lien)	621.06	588.19
	<b>30,445.47</b>	<b>26,770.27</b>

**NOTE : 14****Loans Considered Good - Unsecured**

	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
<b>Other Loans</b>		
Loans to Related Parties - Key Managerial Personnel	7.33	6.70
Loans to Employees Others	72.92	81.11
	<b>80.25</b>	<b>87.81</b>

The above loan amount includes Ind AS fair value adjustments.

There are no loans or advances in the nature of loans granted to Promoters, Directors, KMPs and their related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are:

- (i) repayable on demand; or
- (ii) without specifying any terms or period of repayment

**NOTE : 15**

**Other Financial Assets**

	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Derivative Asset	36.80	15.05
Corporate Fixed Deposit *	-	5,006.00
Interest Receivable	703.30	609.01
	<u>740.10</u>	<u>5,630.06</u>

\* Corporate Fixed Deposit in HDFC Ltd is Nil. (Previous year ₹ 5,006 Lakhs)

**NOTE : 16**

**Other Current Assets**

	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Advance License Benefits and Others	60.31	-
Prepaid Expenses	724.90	751.54
Advance Recoverable in Cash or in Kind	573.15	504.03
Balances with Statutory Authorities	764.82	2,360.92
Receivable from Statutory Authorities	78.44	76.50
	<u>2,201.62</u>	<u>3,692.99</u>

**NOTE : 17**

**Share Capital**

	As at March 31, 2024		As at March 31, 2023	
	Number	Amounts	Number	Amounts
<b>Authorised Share Capital</b>				
Equity shares of ₹ 2 each	62,50,00,000	12,500.00	62,50,00,000	12,500.00
Redeemable Cumulative Preference Shares of ₹ 10 each	2,50,00,000	2,500.00	2,50,00,000	2,500.00
	<u>65,00,00,000</u>	<u>15,000</u>	<u>65,00,00,000</u>	<u>15,000</u>
<b>Issued, subscribed and fully paid up</b>				
Equity shares of ₹ 2 each	18,80,41,342	3,760.83	18,80,41,342	3,760.83
<b>Total</b>	<u>18,80,41,342</u>	<u>3,760.83</u>	<u>18,80,41,342</u>	<u>3,760.83</u>

**Note :**

**17.1** In the financial year 2019- 2020 the Company bought back and extinguished 65,911 equity shares from which has reduced the paid-up share capital of the Company from ₹ 9,650.20 lakhs to ₹ 9,643.61 lakhs.

**17.2** In the financial year 2020- 2021 the Company bought back and extinguished 2,415,376 equity shares from which has reduced the paid-up share capital of the Company from ₹ 9,643.61 lakhs to ₹ 9,402.07 lakhs.





**17.3** Consequent to the order dated March 10, 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 312,500,000 of ₹ 4 each aggregating to ₹ 125,000 Lakhs and Company's share capital reduced from ₹ 9,402.07 Lakhs to ₹ 3,760.83 Lakhs consequent to reduction of nominal value of shares to ₹ 4 per share from ₹ 10 and payment of ₹ 6 per share to eligible shareholder on the record date.

**17.4** In the financial year 2022-23 the Company sub-divided its share with nominal value of ₹ 4 per share into two share of ₹ 2 per share.

**17.5 The details of Shareholding of Promoters**

Name of the Promoter	As at March 31, 2024			As at March 31, 2023		
	Number of Equity Shares	% holding	% change in holding	Number of Equity Shares	% holding	% change in holding
The Supreme Industries Limited	5,78,72,800	30.78%		5,78,72,800	30.78%	
R. Raheja Investments Private Limited	5,78,72,800	30.78%		5,78,72,800	30.78%	
Hathway Investments Private Limited	28,39,800	1.51%		28,39,800	1.51%	
Jovial Investment and Trading Company Private Limited	8,51,466	0.45%		8,51,466	0.45%	0.12%
Venketesh Investment and Trading Company Private Limited	6,57,466	0.35%		6,57,466	0.35%	0.02%
Boon Investment and Trading Company Private Limited	7,05,468	0.38%		7,05,468	0.38%	0.05%
Matsyagandha Investment and Finance Private Limited	800	0.00%		800	0.00%	
Bloomingdale Investment and Finance Private Limited	400	0.00%		400	0.00%	
Rajan B Raheja	800	0.00%		800	0.00%	
Suman R Raheja	600	0.00%		600	0.00%	
Akshay R Raheja	400	0.00%		400	0.00%	
Viren R Raheja	400	0.00%		400	0.00%	

**17.5.1 The details of Shareholding holding more than 5% shares**

Name of the Promoter	As at March 31, 2024		As at March 31, 2023	
	Number of Equity Shares	% holding	Number of Equity Shares	% holding
The Supreme Industries Limited	5,78,72,800	30.78%	5,78,72,800	30.78%
R. Raheja Investments Private Limited	5,78,72,800	30.78%	5,78,72,800	30.78%

**17.6.** The Company has only one class of shares referred to as equity shares having a par value ₹ 2/- 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.

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.

**17.7.** In the event of the Company being liquidated, since the equity shares of the Company are fully paid - up, there would be no additional liability on the shareholders of the Company. However, post settlement of the liabilities of the Company, the surplus, if any, would be distributed amongst the shareholders in proportion to the number of shares held by each one of them.

Reconciliation of Shares Outstanding at the Beginning and at the End of the Current Year

	As at March 31, 2024		As at March 31, 2023	
	Equity Shares of ₹ 2 each fully paid		Equity Shares of ₹ 2 each fully paid	
	No. of Shares	Amount (₹ in Lakhs)	No. of Shares	Amount (₹ in Lakhs)
Shares of Face Value ₹ 2 each outstanding at the beginning of the period (₹ 4 previous period)	18,80,41,342	3,760.83	9,40,20,671	3,760.83
Add: Shares of Face Value ₹ 2 (previous period) each issued during the period pursuant to the sub-division of equity shares (Refer Note 44) *	–	–	18,80,41,342	–
Less: Shares of Face Value ₹ 4 (previous period) each cancelled during the period (Refer Note 44) *	–	–	9,40,20,671	–
<b>Shares outstanding at the end of the period</b>	<b>18,80,41,342</b>	<b>3,760.83</b>	<b>18,80,41,342</b>	<b>3,760.83</b>

\* During the previous year, equity shares of ₹ 4 each were sub-divided into 2 equity shares of ₹ 2 each pursuant to an ordinary resolution passed by the shareholders by way of Postal Ballot on December 2, 2022.

**NOTE : 18**  
**Other Equity**

	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Capital Redemption Reserve	1,811.59	1,811.59
General Reserve	1,62,329.63	1,44,829.63
Retained Earnings	34,009.21	33,984.46
	<b>1,98,150.43</b>	<b>1,80,625.68</b>

**18.1 Capital Redemption Reserve**

	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	1,811.59	1,811.59
<b>Balance at the end of the year</b>	<b>1,811.59</b>	<b>1,811.59</b>

**18.2 General Reserve**

	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	1,44,829.63	1,19,852.92
Capital Redemption Expenses	–	(23.29)
Transfer from Retained Earnings	17,500.00	25,000.00
<b>Balance at the end of the year</b>	<b>1,62,329.63</b>	<b>1,44,829.63</b>



**18.3 Retained Earnings**

(₹ in Lakhs)

	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	33,984.46	26,137.98
Remeasurement of defined benefit plans (net of tax)	(200.37)	(43.58)
Profit for the Year	34,648.84	49,813.78
Dividends paid to Shareholders - Interim / Final	(16,923.72)	(16,923.72)
Transfer to General Reserve	(17,500.00)	(25,000.00)
<b>Balance at the end of the year</b>	<b>34,009.21</b>	<b>33,984.46</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 Reserve** : General Reserve has been created by transfer out of profit generated by the Company and is available for distribution to shareholders.

**Dividend**

18.4 In the Board meeting held on October 27, 2023 the board declared an amount of ₹ 2 per equity shares (FV ₹ 2) as a interim dividend (Previous Year ₹ 4 and FV ₹ 4) which was distributed to equity shares holder. The amount of interim dividend distributed to equity share holder was ₹ 3,760.82 lakhs (Previous Year ₹ 3,760.82 lakhs).

The Board of Directors, in their meeting on April 24, 2024 , have proposed a final dividend of ₹ 7 per equity share (Previous Year ₹ 7 per equity share) for the financial year ended March 31, 2024. The proposal is subject to the approval of shareholders at the Annual General Meeting to be held on July 04, 2024 and if approved would result in a cash outflow of approximately ₹ 13,162.89 lakhs (Previous Year ₹ 13,162.89 lakhs).

**NOTE : 19**

**Financial Liability**

(₹ in Lakhs)

	As at March 31, 2024	As at March 31, 2023
Lease Liabilities	9,825.60	236.85
	<b>9,825.60</b>	<b>236.85</b>

**NOTE : 20**

**Other Financial Liabilities**

(₹ in Lakhs)

	As at March 31, 2024	As at March 31, 2023
Security Deposits from Distributors	413.00	358.33
	<b>413.00</b>	<b>358.33</b>

**NOTE : 21**  
**Provisions**

(₹ in Lakhs)

	As at March 31, 2024	As at March 31, 2023
Provision for Compensated Absences	522.89	362.01
Provision for Gratuity	204.10	—
	<b>726.99</b>	<b>362.01</b>

**NOTE : 22**

**A. Movement in Deferred Tax Balances**

(₹ in Lakhs)

	March 31, 2024					
	Net Balance April 1, 2023	Recognised in Profit or (Loss)	Recognised in OCI	Net	Deferred Tax Asset	Deferred Tax Liability
Property, Plant and Equipment and Intangible Assets	(3,663.94)	(245.40)	—	(3,909.34)	—	(3,909.34)
Employee Benefits	151.84	43.60	67.40	262.84	262.84	—
Trade Receivables	9.07	(2.35)	—	6.72	6.72	—
Other Items	(37.69)	(56.55)	—	(94.24)	2,987.69	(3,081.93)
<b>Deferred Tax Assets / (Liabilities)</b>	<b>(3,540.72)</b>	<b>(260.70)</b>	<b>67.40</b>	<b>(3,734.02)</b>	<b>3,257.25</b>	<b>(6,991.27)</b>

	March 31, 2023					
	As At April 1, 2022	Recognised in Profit or (Loss)	Recognised in OCI	Net	Deferred Tax Asset	Deferred Tax Liability
Property, Plant and Equipment and Intangible Assets	(3,496.70)	(167.24)	—	(3,663.94)	—	(3,663.94)
Employee Benefits	163.31	(26.13)	14.66	151.84	151.84	—
Trade Receivables	11.05	(1.98)	—	9.07	9.07	—
Other Items	(118.63)	80.94	—	(37.69)	137.39	(175.08)
<b>Deferred Tax Assets / (Liabilities)</b>	<b>(3,440.97)</b>	<b>(114.41)</b>	<b>14.66</b>	<b>(3,540.72)</b>	<b>298.30</b>	<b>(3,839.02)</b>

**B. Income tax related to items charged or credited directly to profit or loss during the year**

(₹ in Lakhs)

	As at March 31, 2024	As at March 31, 2023
Current Income Tax	11,915.59	16,921.47
Relating to Earlier Years Assessment (Excess) / Short Provision (Net) / Other Adjustment	(3.50)	(160.96)
	<b>11,912.09</b>	<b>16,760.51</b>

**C. Reconciliation of effective tax rate**

(₹ in Lakhs)

	For the year ended March 31, 2024	For the Year ended March 31, 2023
Profit Before Tax	46,821.63	66,688.70
Applicable Tax Rate %	25.17%	25.17%
Income tax expenses	11,785.00	16,785.55
Effect of expenses / Income as that is non-deductible in determining taxable profit	377.57	267.32
Temporary changes in recognised deductible differences /Other Adjustment	(246.98)	(131.40)
	<b>11,915.59</b>	<b>16,921.47</b>

**NOTE : 23****Financial Liability**

(₹ in Lakhs)

	As at March 31, 2024	As at March 31, 2023
Lease Liabilities	1,588.76	1,428.75
	<u>1,588.76</u>	<u>1,428.75</u>

**NOTE : 24****Trade Payables**

(₹ in Lakhs)

	As at March 31, 2024	As at March 31, 2023
Total outstanding dues of micro and small enterprises	258.88	101.13
Total outstanding dues of creditors other than micro and small enterprises	80,632.34	78,101.20
	<u>80,891.22</u>	<u>78,202.33</u>

- a) The Company has amount due to suppliers under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED Act). The disclosure pursuant to the said MSMED Act is as under:

(₹ in Lakhs)

	March 31, 2024	March 31, 2023
a) The principal amount remaining unpaid to any supplier at the end of the year.	258.88	101.13
b) Interest due remaining unpaid to any supplier at the end of the year.	-	-
c) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year.	-	-
d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	-	-
e) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprises Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company. There are no overdue principal amounts / interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payment made during the year or on balance brought forward from previous year. This has been relied upon by the auditor.

**b) Trade Payable Ageing Schedule**

(₹ in Lakhs)

	As at March 31, 2024	As at March 31, 2023
a) Undisputed MSME	258.88	101.13
– Not Due	258.88	101.13
b) Undisputed Others	80,632.34	78,101.20
– Unbilled	2,290.41	1,539.85
– Not Due	72,704.11	74,769.26
– Less than 1 year	5,637.82	1,792.06
– 1 - 2 years	–	0.03
c) Disputed MSME	–	–
d) Disputed Others	–	–
<b>Total Amount</b>	<b>80,891.22</b>	<b>78,202.33</b>

**NOTE : 25**

**Other Financial Liabilities**

(₹ in Lakhs)

	As at March 31, 2024	As at March 31, 2023
Creditors for Capital Goods	1,072.56	111.00
Salary and Other Benefits Payable	190.17	40.27
Derivative Liability	1.28	59.92
Unclaimed Dividend	758.22	724.31
Capital Reduction amount payable to Share holders	63.61	63.86
Provision for on going CSR projects	970.92	866.28
Provision for Bonus and Ex Gratia	509.00	447.50
Others	984.08	648.40
	<b>4,549.84</b>	<b>2,961.54</b>

**NOTE : 26**

**Provisions**

(₹ in Lakhs)

	As at March 31, 2024	As at March 31, 2023
Provision for Compensated Absences	97.35	94.07
Provision for Gratuity	188.68	124.70
	<b>286.03</b>	<b>218.77</b>



**NOTE : 27**

**Other Current Liabilities**

	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Statutory Dues	515.07	343.18
Employee & Contractor Deductions	62.04	55.57
Advance from Customers	1,357.31	946.20
	<u>1,934.42</u>	<u>1,344.95</u>

**NOTE : 28**

**Revenue From Operations**

	(₹ in Lakhs)	
	Year Ended March 31, 2024	Year Ended March 31, 2023
<b>Sale of Products</b>		
Sale of Products (Refer Note No. 41)	5,23,648.88	5,27,760.18
<b>Other Operating Revenues</b>		
Export Benefit	1,286.92	677.85
Scrap Sales	398.68	282.44
	<u>1,685.60</u>	<u>960.29</u>
<b>Revenue from operations (Gross)</b>	<u>5,25,334.48</u>	<u>5,28,720.47</u>

**a. 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 netted off from the Sale of Products and 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. 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)	
	Year Ended March 31, 2024	Year Ended March 31, 2023
Revenue from contracts with customers	5,29,047.34	5,29,845.39
Less:		
Trade discounts, volume discounts etc.	(5,398.46)	(2,085.21)
<b>Sale of Products as per Statement of Profit &amp; Loss</b>	<u>5,23,648.88</u>	<u>5,27,760.18</u>

**b. Sales on Product group wise basis**

	(₹ in Lakhs)	
	Year Ended March 31, 2024	Year Ended March 31, 2023
Styrenics	4,79,507.47	4,86,770.05
Masterbatches, Compounds and Colour Products	31,040.72	27,659.21
Others	13,100.69	13,330.92
	<u>5,23,648.88</u>	<u>5,27,760.18</u>



**NOTE : 29**

**Other Income**

	(₹ in Lakhs)	
	Year Ended March 31, 2024	Year Ended March 31, 2023
<b>Interest income</b>		
Interest Received on Trade Receivables	112.57	153.48
Interest Received on Bank Fixed Deposits	2,709.21	1,331.12
Interest Received on Corporate Deposits	–	309.50
Interest Received on Bonds	38.72	–
Interest Received Others	3.16	96.93
Unwinding Interest	48.17	44.67
	<u>2,911.83</u>	<u>1,935.70</u>
<b>Other Non-Operating Income</b>		
Miscellaneous Income	466.43	525.08
	<u>466.43</u>	<u>525.08</u>
<b>Other Gains</b>		
Gain on Sale of Fixed Assets (Net)	–	2.95
Gain on Discontinued Lease Liabilities	25.61	–
Allowance for Expected Credit Loss	9.30	7.88
Reversal of Diminution in Value of Stores & Spares / Finished Goods (Net)	57.55	–
Net Gain on Foreign Currency Transaction and Translation	13.35	–
Net Gain from Mutual Fund Investment *	3,322.67	3,421.98
Net Gain from Bonds Investment *	7.53	–
	<u>3,436.01</u>	<u>3,432.81</u>
	<u>6,814.27</u>	<u>5,893.59</u>

\* Includes net gain / loss from redemption and gain from MTM valuation.

**NOTE : 30**

**Cost of Materials Consumed**

	(₹ in Lakhs)	
	Year Ended March 31, 2024	Year Ended March 31, 2023
Consumption of raw materials (including packing materials)	3,25,515.98	3,21,419.60
	<u>3,25,515.98</u>	<u>3,21,419.60</u>



**NOTE : 31**

**Purchases of Stock-In-Trade**

	(₹ in Lakhs)	
	Year Ended March 31, 2024	Year Ended March 31, 2023
Petrochemicals	1,18,385.45	1,18,384.25
Others	1,020.30	680.03
	<u>1,19,405.75</u>	<u>1,19,064.28</u>

**NOTE : 32**

**Changes In Inventories Of Finished Goods And Work-in-Progress**

	(₹ in Lakhs)	
	Year Ended March 31, 2024	Year Ended March 31, 2023
<b>Inventories (at commencement)</b>		
Finished goods	18,136.91	7,649.55
Work-in-Progress	300.17	201.38
	<u>18,437.08</u>	<u>7,850.93</u>
<b>Inventories (at close)</b>		
Finished goods	18,819.33	18,136.91
Work-in-Progress	232.29	300.17
	<u>19,051.62</u>	<u>18,437.08</u>
	<u>(614.54)</u>	<u>(10,586.15)</u>

**NOTE : 33**

**Employee Benefit Expenses**

	(₹ in Lakhs)	
	Year Ended March 31, 2024	Year Ended March 31, 2023
Salaries and Wages	5,691.91	4,874.12
Contribution to Provident, Gratuity and Other Funds	423.36	401.96
Staff Welfare Expenses	233.74	195.78
	<u>6,349.01</u>	<u>5,471.86</u>

**NOTE : 34**

**Finance Cost**

	(₹ in Lakhs)	
	Year Ended March 31, 2024	Year Ended March 31, 2023
<b>Interest</b>		
Interest Others	51.17	49.68
<b>Others</b>		
Interest on Right-of-use Assets	670.32	307.30
Unwinding Interest	0.67	0.63
	<u>722.16</u>	<u>357.61</u>

**NOTE : 35**

**Depreciation and Amortisation Expense**

	(₹ in Lakhs)	
	Year Ended March 31, 2024	Year Ended March 31, 2023
Depreciation of Tangible Assets	3,677.43	2,636.65
Amortisation of Intangible Assets	12.31	53.04
Right-of-use Assets	2,259.05	1,970.58
	<b>5,948.79</b>	<b>4,660.27</b>

**NOTE : 36**

**Other Expenses**

	(₹ in Lakhs)	
	Year Ended March 31, 2024	Year Ended March 31, 2023
Consumption of Stores and Spares	1,249.16	1,125.66
Power	4,994.07	4,220.09
Fuel	2,257.49	2,269.71
Repairs to Building	438.63	370.48
Repairs to Machinery	503.79	337.91
Repairs to Others	568.69	544.07
Commission on Sales	700.61	547.30
Carriage Outward	11,019.87	10,652.40
Diminution in Value of Stores & Spares / Finished Goods (Net)	-	77.41
IT Software and Hardware maintenance	242.97	184.85
Rent, Rates and Taxes	468.72	391.90
Directors' Fees	64.59	64.79
Insurance	1,026.54	1,149.26
Loss on Sale of Fixed Assets (Net)	350.49	-
Bank Charges	286.68	266.99
Materials Handling Charges	289.75	258.84
Auditors Remuneration	30.43	30.86
Legal & Professional Fees	603.10	660.69
Travelling & Conveyance	347.80	281.05
Advertisement, Publicity & Business Promotion	40.34	30.11
Corporate Social Responsibility Expenses (Refer Note 50)	1,429.86	1,082.11
Packing & Forwarding Expenses	274.37	240.41
Miscellaneous Expenditure	812.02	800.15
Net Loss on Foreign Currency Transaction and Translation	-	1,950.85
	<b>27,999.97</b>	<b>27,537.89</b>
<b>Breakup of Auditor Remuneration</b>		
For Audit Fees	30.25	25.50
For Tax Audit	-	4.50
For Reimbursement of Expenses	0.18	0.86
	<b>30.43</b>	<b>30.86</b>



**NOTE : 37**

As per Ind AS 19 “Employee Benefits”, the disclosures as defined in the Accounting Standard are given below

(₹ in Lakhs)

	Year Ended March 31, 2024	Year Ended March 31, 2023
<b>A. Gratuity</b>		
<b>I. Assumptions :</b>		
Discount Rate (Current)	7.22%	7.50%
Rate of return on Plan Assets Current Year	7.22%	7.50%
Rate of Salary Increase	8.00%	7.00%
<b>II. Changes in Defined Benefit Obligation</b>		
Liability at the Beginning of the year	1,816.25	1,608.74
Interest Cost	136.22	116.64
Current Service Cost	77.16	62.64
Benefits Paid	(36.91)	(25.99)
Actuarial (gain) / loss on Obligations Due to Change in Demographic Assumption	-	-
Actuarial (gain) / loss on Obligations Due to Change in Financial Assumption	119.76	(25.71)
Actuarial (gain) / loss on Obligations Due to Experience	32.97	79.93
<b>Liability at the end of the year</b>	<b>(a) 2,145.45</b>	1,816.25
<b>III. Changes in Fair Value of Plan Assets</b>		
Fair Value of Plan Assets at the beginning of the year	1,691.54	1,387.92
Interest Income	126.87	100.63
Employer’s Contributions	86.19	233.00
Actuarial (gain) / loss on Plan Assets	-	-
Benefits Paid	(36.91)	(25.99)
Return on Plan Assets at the end of the year	(115.04)	(4.02)
<b>Fair value of plan assets at the end of the year</b>	<b>(b) 1,752.65</b>	1,691.54
<b>IV. Balance Liability</b>	<b>(a-b) 392.80</b>	124.71
<b>V. Actual Return on plan Assets :</b>		
Expected return on Plan Assets	126.87	100.63
Remeasurement gains / (loss) on Plan Assets	(115.04)	(4.02)
<b>Actual return on Plan Assets</b>	<b>11.83</b>	96.61
<b>VI. Expense Recognised in Statement of Profit and Loss</b>		
Current Service Cost	77.16	62.64
Interest Cost	9.35	16.01
<b>Expense recognised in Statement of Profit and Loss</b>	<b>86.51</b>	78.65
<b>VII. Expenses Recognised in the Other Comprehensive Income (OCI)</b>		
Actuarial gains / (loss) on Obligation for the Period	152.73	54.22
Return on Plan Assets, Excluding Interest Income	115.04	4.02
<b>Expense recognised in Statement of Profit and Loss</b>	<b>267.77</b>	58.24
<b>VIII. The Categories of Plan Assets as a Percentage of Total Plan are as follows</b>		
Insurer Managed Funds	100.00%	100.00%

**IX. Expected Employer Contributions**

Expected employer contributions for the year ending March 31, 2025 is ₹ 174.01 lakhs (for the year ended March 31, 2024 : ₹ 152.32 lakhs)

**X. Maturity Profile of Defined Benefit Obligations**

	(₹ in Lakhs)
	<b>Gratuity Plan</b>
1st Following Year	297.20
2nd Following Year	128.91
3rd Following Year	636.11
4th Following Year	484.12
5th Following Year	153.29
Sum of Years 6 To 10	576.83
Sum of Years 11 and above	1,178.67

**XI. Sensitivity Analysis**

Delta Effect of +1% Change in Rate of Discounting	(94.78)	(95.43)
Delta Effect of -1% Change in Rate of Discounting	107.49	107.79
Delta Effect of +1% Change in Rate of Salary Increase	105.62	107.26
Delta Effect of -1% Change in Rate of Salary Increase	(94.97)	(96.70)

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

**Amounts for the Current and Previous Four Periods are as follows**

	(₹ in Lakhs)				
Particulars	March 2024	March 2023	March 2022	March 2021	March 2020
Defined Benefit Obligation	2,145.45	1,816.25	1,608.74	1,399.34	1,176.25
Plan Assets	1,752.65	1,691.54	1,387.92	1,156.53	987.90
(Surplus) / Deficit	392.80	124.71	220.82	242.78	188.35
Experience Adjustments on Plan Liabilities	32.97	79.93	75.51	105.85	23.03
Remeasurement gain / (loss) on Plan Assets	(115.04)	(4.02)	2.08	-	(9.30)

**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, 2024.

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	8.25 %

**D. Superannuation**

The Company operates defined contribution superannuation fund for all qualifying employees of the Company.

The total expense recognised in the statement of profit and loss of ₹ 59.07 lakhs (for the year ended March 31, 2023 : ₹ 64.44 lakhs) for superannuation fund represent contributions payable to these plans by the Company at rates specified in the rules of the plans.



**NOTE : 38**

**Financial Instruments: Accounting Classifications, Fair Value Measurements**

**March 31, 2024**

(₹ in Lakhs)

Particulars	Carrying Value	Classification			Fair Value		
		FVTPL	FVTOCI	Amortised Cost	Level 1	Level 2	Level 3
<b>Financial Assets</b>							
Trade Receivables	39,497.14	-	-	39,497.14	-	-	-
Loans and Advances							
Security Deposits	599.39	-	-	599.39	-	-	599.39
Loans to Employees	206.75	-	-	206.75	-	-	206.75
Derivative Assets	36.80	36.80	-	-	36.80	-	-
Investments	57,179.58	57,179.58	-	-	57,179.58	-	-
Cash on Hand	10.54	-	-	10.54	-	-	-
Bank Balances & Cheques on Hand	21,580.91	-	-	21,580.91	-	-	-
Other Bank Balance	30,445.47	-	-	30,445.47	-	-	-
Other Financial Assets	703.30	-	-	703.30	-	-	-
	<u>1,50,259.88</u>	<u>57,216.38</u>	<u>-</u>	<u>93,043.50</u>	<u>57,216.38</u>	<u>-</u>	<u>806.14</u>

Particulars	Carrying Value	Classification		Fair Value		
		FVTPL	Amortised Cost	Level 1	Level 2	Level 3
<b>Financial Liabilities</b>						
Trade Payables	80,891.22	-	80,891.22	-	-	-
Other Financial Liabilities						
Security Deposits	413.00	-	413.00	-	-	413.00
Derivative Liability	1.28	1.28	-	1.28	-	-
Lease Liability	11,414.36	-	11,414.36	-	-	11,414.36
Other Financial Liability	3,005.03	-	3,005.03	-	-	-
	<u>95,724.89</u>	<u>1.28</u>	<u>95,723.61</u>	<u>1.28</u>	<u>-</u>	<u>11,827.36</u>

**March 31, 2023**

(₹ in Lakhs)

Particulars	Carrying Value	Classification			Fair Value		
		FVTPL	FVTOCI	Amortised Cost	Level 1	Level 2	Level 3
<b>Financial Assets</b>							
Trade Receivables	36,229.13	-	-	36,229.13	-	-	-
Loans and Advances							
Security Deposits	521.81	-	-	521.81	-	-	521.81
Fixed Deposit with Bank	2,000.00	-	-	2,000.00	-	-	-
Loans to Employees	282.75	-	-	282.75	-	-	282.75
Derivative Assets	15.05	15.05	-	-	15.05	-	-
Investments	56,255.07	56,255.07	-	-	56,255.07	-	-
Cash on Hand	9.93	-	-	9.93	-	-	-
Bank Balances & Cheques on Hand	8,171.53	-	-	8,171.53	-	-	-
Other Bank Balance	26,770.27	-	-	26,770.27	-	-	-
Other Financial Assets	609.01	-	-	609.01	-	-	-
	<u>1,30,864.55</u>	<u>56,270.12</u>	<u>-</u>	<u>74,594.43</u>	<u>56,270.12</u>	<u>-</u>	<u>804.56</u>

Particulars	Carrying Value	Classification		Fair Value		
		FVTPL	Amortised Cost	Level 1	Level 2	Level 3
<b>Financial Liabilities</b>						
Trade Payables	78,202.33	–	78,202.33	–	–	–
Other Financial Liabilities						
Security Deposits	358.33	–	358.33	–	–	358.33
Derivative Liability	59.92	59.92	–	59.92	–	–
Lease Liability	1,665.60	–	1,665.60	–	–	1,665.60
Other Financial Liability	1,523.98	–	1,523.98	–	–	–
	<u>81,810.16</u>	<u>59.92</u>	<u>81,750.24</u>	<u>59.92</u>	<u>–</u>	<u>2,023.93</u>

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.

## Sensitivity Analysis

### 1. Change in Foreign Exchange

(₹ in Lakhs)

Effect in INR	Increase	Decrease	Increase	Decrease
	March 31, 2024		March 31, 2023	
1% Increase / decrease in USD	<b>(405.19)</b>	405.19	(348.83)	348.83
1% Increase / decrease in EURO	<b>38.09</b>	(38.09)	23.93	(23.93)
1% Increase / decrease in CHF	<b>0.02</b>	(0.02)	0.06	(0.06)
1% Increase / decrease in SGD	–	–	0.05	(0.05)
1% Increase / decrease in GBP	<b>1.22</b>	(1.22)	–	–
1% Increase / decrease in JPY	<b>0.14</b>	(0.14)	–	–

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 current price 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 insignificant 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. In any case all doubtful debts over 18 months are provided for 100% under ECL working or written off. 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	As at	As at
	March 31, 2024	March 31, 2023
Cash, Cash Equivalents & Bank Balances (Note: 12)	21,591.45	8,181.45
Investments in Mutual Funds and Bonds (Note:10)	57,179.58	56,255.07
Fixed Deposits with Banks (Note 7,13)	28,505.00	27,004.00
Fixed Deposits with Corporate (Note 15)	–	5,006.00
Undrawn Fund based Credit Facilities from Banks	12,700.00	12,700.00
Liquidity Buffer	1,19,976.03	1,09,146.52

The Company is debt free (except amortised value of right to use assets taken on lease) 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.

The table below analyse financial liabilities of the Company into relevant maturity groupings based on the reporting period from the reporting date to the contractual maturity date:

(₹ in Lakhs)

Particulars	Less than	Between	Over	Total	Carrying Value
	1 Year	1 to 5 Years	5 Years		
<b>As At March 31, 2024</b>					
Trade Payables	80,891.22	–	–	80,891.22	80,891.22
Lease Liabilities	1,588.76	7,362.72	2,462.88	11,414.36	11,414.36
Other Financial Liabilities	4,548.56	–	–	4,548.56	4,548.56
Derivative Liability	1.28	–	–	1.28	1.28

(₹ in Lakhs)

Particulars	Less than	Between	Over	Total	Carrying Value
	1 Year	1 to 5 Years	5 Years		
<b>As At March 31, 2023</b>					
Trade Payables	78,202.33	–	–	78,202.33	78,202.33
Lease Liabilities	1,428.75	236.86	–	1,665.61	1,665.61
Other Financial Liabilities	2,901.62	–	–	2,901.62	2,901.62
Derivative Liability	59.92	–	–	59.92	59.92

### 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	As at	As at
	March 31, 2024	March 31, 2023
<b>Net Financial Debt</b>	–	–
<b>Total Equity</b>	<b>2,01,911.26</b>	<b>1,84,386.51</b>
<b>Total Capital Employed</b>	<b>2,05,645.28</b>	<b>1,87,927.23</b>
<b>Gearing Ratio</b>	–	–

The Company's total owned funds of ₹ 205,645.28 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 has no foreign currency debt 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 a part of its products in insignificant 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, 2024		March 31, 2023	
	Foreign Currency	₹ in Lakhs	Foreign Currency	₹ in Lakhs
<b>Financial Assets</b>				
Receivable In				
USD	48,00,345.30	4,003.73	44,44,857.21	3,652.34
EURO	42,66,416.78	3,834.55	27,06,538.32	2,420.59
CHF	2,515.25	2.32	6,753.25	6.05
GBP	1,16,500.00	122.36	5,014.76	5.10
JPY	26,00,000.00	14.32	–	–
<b>Financial Liabilities</b>				
Payable In				
USD	8,34,10,899.03	69,568.86	9,13,01,394.75	75,022.36
EURO	28,072.85	25.23	30,341.23	27.14
<b>Derivative Contracts</b>				
Forward / Options Contracts for Payables in USD	3,00,28,948.01		4,44,04,391.60	–

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**

**Contingent Liabilities & Commitments**

Particulars	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
<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	1.20	1.20
– Disputed GST matter	7,952.04	16.71
– Disputed matter in Income Tax	12.58	12.58
(B) Counter guarantees given to banks against guarantees issued by the banks.		
– Other bank guarantees	1,060.70	1,031.19
(C) Other money for which the Company is contingently liable		
– Letters of Credit opened by Banks and outstanding at the year end.	26,093.59	51,890.61
<b>(2) Commitments</b>		
– Estimated amount of contracts remaining to be executed on capital account and not provided for	31,037.00	15,144.00
– Investment in Equity Shares of TP Saturn Limited (Refer Note 2 below)	534.74	–

- 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.
- The Company has entered into a Power Delivery Agreement with TP Saturn Limited on October 10, 2023 and has since entered into a Share Holder Agreement and Share Purchase Agreement on December 14, 2023 to acquire 26% equity shares in TP Saturn Limited, a Special Purpose Vehicle (SPV) formed by Tata Power Renewable Energy Ltd., for supply of solar power energy 12.5 MW (i.e. 17.95 MWp) to the Company's plant at Amdoshi, Dist. Raigad, Maharashtra. Subsequently, the Company has made a payment of ₹ 130,000 as share application money, of which allotment has been done on April 3, 2024.

**NOTE : 41**

**Segment Reporting**

The Company has only one primary reporting segment which is styrenics. Hence, segment reporting under Ind AS 108 is not applicable.

**Sales as per geographic areas (IND AS 108 Para 33(a))**

Description	(₹ in Lakhs)	
	Year Ended March 31, 2024	Year Ended March 31, 2023
Within India	4,74,471.95	4,95,005.75
Outside India	49,176.93	32,754.43
	<b>5,23,648.88</b>	<b>5,27,760.18</b>

- Note:
- Entire non-current assets are located in India.
  - None of the Customers individually account for 10% or more sales.

**NOTE : 42**

**Investments**

Investments in the Balance Sheet comprises of short-term surplus funds invested in debt and arbitrage schemes of Mutual Funds and in Sovereign Bonds which are measured at fair value through Profit and Loss. Fixed deposits with banks are measured through amortized cost.

**NOTE : 43**

Working capital facilities (including letters of credit) from banks are secured by hypothecation of Company's all moveable assets, stock and trade receivables and by second charge by way of mortgage of the Company's immovable properties (including plant and machinery) situated at Tamil Nadu plants.

**NOTE : 44**

The Board of Directors of the Company, in their meeting held on October 27, 2022 recommended sub-division of shares from face value of ₹ 4 to face value of ₹ 2 which was approved by the members vide postal ballot on December 02, 2022. New shares of face value of ₹ 2 were issued to the shareholders whose name appeared on the record date of January 06, 2023.

**NOTE : 45**

**i. Disclosure of transactions with Related Parties, as required by Ind AS 24 "Related Party Disclosures" is given below:**

Sr. No.	Particulars	Name of the Party
1.	Entities having significant influence	The Supreme Industries Limited R. Raheja Investments Private Limited
2.	Directors and Key Management Personnel (KMP)	
	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
	B. Whole Time Director (KMP)	Shri K. V. Mujumdar
	C. Key Management Personnel	
	Manager	Shri N. Gopal
	Chief Financial Officer	Shri Rakesh Nayyar
	Company Secretary	Shri D. N. Mishra
3.	Promoter Group Persons & Entities	Hathway Investments Limited Bloomingdale Investment and Finance Private Limited Matsyagandha Investment and Finance Private Limited Rajan B. Raheja Suman R. Raheja Akshay Rajan Raheja Viren Rajan Raheja Jovil Investment and Trading Company Private Limited Venketesh Investment and Trading Company Private Limited Boon Investment and Trading Company Private Limited
4.	Enterprises in which Directors have significant influence	Supreme Foundation Society of Rehabilitation of Paraplegics Supreme Petrochem Ltd Employees' Providend Fund Trust



**ii. Related parties transactions**

(₹ in Lakhs)

Sr. No.	Nature of transactions	Year Ended March 31, 2024	Year Ended March 31, 2023
	Entities having significant influence		
<b>1.*</b>	<b>The Supreme Industries Limited</b>		
	A. Sale of Goods (Net)	<b>14,087.15</b>	14,263.25
	B. Purchase of Goods	<b>116.94</b>	68.03
	C. Balance Receivable (Sale of Goods)	<b>157.86</b>	45.53
	D. Balance Payable (Purchase of Goods)	<b>8.01</b>	9.31
	* All transactions are on commercial basis at market rates.		
	Key Management Personnel		
<b>2.</b>	<b>Shri D. N. Mishra</b>		
	Loan Given	-	-
	Loan Repaid	9.00	9.00
	Loan Balance	21.85	28.55
	Non Executive Directors		
<b>3.</b>	<b>Directors Sitting Fees</b>		
	Shri M. P. Taparia (Non-Executive-Promoter / Chairperson)	6.50	5.50
	Shri Rajan B. Raheja (Non-Executive-Promoter)	5.00	5.00
	Shri B. L. Taparia (Non-Executive-Promoter)	5.00	5.00
	Shri S. J. Taparia (Non-Executive-Promoter)	7.50	8.00
	Shri R. Kannan (Non-Executive-Independent)	10.00	10.50
	Shri M. S. Ramachandran (Non-Executive-Independent)	7.50	7.50
	Miss Ameeta Parpia (Non-Executive-Independent)	8.50	9.00
	Dr. S. Sivaram (Non-Executive-Independent)	6.00	5.00
	Shri Rajeev Pandya (Non-Executive-Independent)	8.50	9.00
<b>4.</b>	<b>Professional Service Fees</b>		
	Shri M. S. Ramachandran (Non-Executive-Independent)	5.00	5.00
<b>5.</b>	<b>Enterprises on which Directors have significant influence</b>		
	<b>Donation towards CSR Expenses</b>		
	Supreme Foundation	500.00	200.00
	Society of Rehabilitation of Paraplegics	500.00	280.00
	<b>Payment of Providend Fund Contribution</b>		
	Supreme Petrochem Ltd Employees' Providend Fund Trust	217.74	194.90
<b>6.</b>	<b>Remuneration Paid - Key Management Personnel #</b>		
	A. Short Term Employee Benefits	919.56	868.27
	B. Post Employment Benefits	2.00	2.00
<b>7.</b>	<b>Dividend Paid</b>		
	<b>Entities having significant influence</b>		
	The Supreme Industries Limited	5,208.55	6,944.74
	R. Raheja Investments Private Limited	5,208.55	6,944.74
	<b>Directors and Key Management Personnel</b>		
	A. Non Executive Directors		
	Shri M. P. Taparia	6.79	9.06
	Shri Rajan B. Raheja	0.07	0.10
	Shri B. L. Taparia	9.69	1.33
	Shri S. J. Taparia	6.79	9.04
	Miss Ameeta Parpia	9.81	13.08

(₹ in Lakhs)

Sr. No.	Nature of transactions	Year Ended March 31, 2024	Year Ended March 31, 2023
B.	Whole Time Director (KMP)		
	Shri K. V. Mujumdar	0.54	0.72
C.	Key Management Personnel		
	Shri N. Gopal	2.87	3.83
	Shri Rakesh Nayyar	0.09	0.12
	Shri D. N. Mishra	0.19	1.22
	<b>Promoter Group Persons &amp; Entities</b>		
	Hathway Investments Limited	255.58	340.78
	Bloomington Investment and Finance Private Limited	0.04	0.05
	Matsyagandha Investment and Finance Private Limited	0.08	0.10
	Suman R. Raheja	0.06	0.07
	Akshay Rajan Raheja	0.04	0.05
	Viren Rajan Raheja	0.04	0.05
	Jovial Investment and Trading Company Private Limited	76.63	86.66
	Venketesh Investment and Trading Company Private Limited	59.17	75.81
	Boon Investment and Trading Company Private Limited	63.49	79.09

# The above disclosure excludes provision for Gratuity and Leave Encashment as separate actuarial valuation is not being made available.

**NOTE : 46**

**Relationship with Struck Off Companies**

Name of Struck off Company	Nature of transactions with struck off company	Balance Outstanding as at March 31, 2024 (No. of Shares / Amount in ₹)	Balance Outstanding as at March 31, 2023 (No. of Shares / Amount in ₹)	Relationship with the struck off Company, if any, to be disclosed
Ingram Investments Pvt. Ltd.	Share Holder	7,600	7,600	NA
Wizard Insurance Services Pvt Ltd.	Share Holder	2,200	2,200	NA
Ghan Shyam Dass Khandelwal & Sons P. Ltd.	Share Holder	1,000	1,000	NA
Amolak Minerals Pvt. Ltd.	Share Holder	800	800	NA
Supan Finance Pvt. Ltd.	Share Holder	Nil	200	NA
DBS Securities P. Ltd.	Share Holder	34	34	NA
Dreams Broking Pvt. Ltd.	Share Holder	Nil	4	NA
Hemal Trading Co. Pvt. Ltd.	Share Holder	Nil	200	NA
Hemlata Investments Pvt. Ltd.	Share Holder	Nil	2,762	NA
James Alexander and Company Ltd.	Share Holder	200	200	NA
Phoenix Shares and Stock Private Ltd	Share Holder	Nil	2	NA
KSM Textiles (India) Pvt. Ltd	Share Holder	400	Nil	NA
Amizara Finance & Consultancy Pvt. Ltd	Share Holder	166	Nil	NA
Sew Eurodrive India Pvt.Ltd.	Payables	Nil	Nil	NA
Steer Engineering Pvt. Ltd.	Receivables / Payables	Nil	Nil	NA
Star Shpg Serv(l) Pvt. Ltd. - A/C Gsl	Receivables	24,184	Nil	NA
Igus (India) Pvt. Ltd.	Payables	Nil	Nil	NA
Bluepeter Shipping Pvt Ltd	Receivables	1,033	Nil	NA



**NOTE : 47**

**Disclosures under IND AS 116: Lease Liabilities**

The following is the movement in lease liabilities during the year ended March 31, 2024

(₹ in Lakhs)

	As At March 31, 2024	As At March 31, 2023
<b>Balance at the beginning</b>	<b>1,665.60</b>	3,723.29
Additions	<b>12,076.08</b>	—
Finance costs accrued during the period	<b>670.32</b>	307.30
Deletions	<b>283.17</b>	—
Payment of lease liabilities	<b>2,714.47</b>	2,364.99
<b>Balance at the end</b>	<b>11,414.36</b>	1,665.60

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2024 on an undiscounted basis:

(₹ in Lakhs)

	As At March 31, 2024	As At March 31, 2023
Less than one year	<b>2,520.34</b>	1,562.24
One to two years	<b>2,535.76</b>	221.95
Two to three years	<b>2,596.26</b>	37.43
More than three years	<b>7,823.83</b>	—
<b>Total</b>	<b>15,476.19</b>	1,821.62

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 : 48**

**Earnings Per Share**

(₹ in Lakhs)

	Year Ended March 31, 2024	Year Ended March 31, 2023
Profit after Tax	<b>34,648.84</b>	49,813.78
Weighted Average Number of Shares outstanding for Basic	<b>18,80,41,342</b>	18,80,41,342
EPS during the Year		
Basic Earning Per Share (₹)	<b>18.43</b>	26.49
Diluted Earning Per Share (₹)	<b>18.43</b>	26.49

**NOTE : 49**

**Ratios**

(₹ in Lakhs)

Ratio along with formula	Year Ended March 31, 2024	Year Ended March 31, 2023	Change	Explanations for changes over 25% in the ratios, if any
Current Ratio (Current Assets/Current Liability)	<b>2.23</b>	2.41	-7%	
Debt: Equity Ratio (Lease Liability/ Net Worth) *	<b>0.06</b>	0.01	526%	Note 1
Debt Service Coverage Ratio (EBITDA/Interest+Principal) *	<b>15.80</b>	26.83	-41%	Note 1
Return on Equity (Net Profit/Average Net Worth)	<b>17.94%</b>	29.66%	-40%	Note 2
Inventory Turnover ratio (Consumption of material + Goods for resale + changes in FG & WIP)/ Closing stock average	<b>7.99</b>	9.14	-13%	
Trade receivable turnover ratio (Revenue from operation/ Average account receivable)	<b>13.83</b>	13.64	1%	



(₹ in Lakhs)

Ratio along with formula	Year Ended March 31, 2024	Year Ended March 31, 2023	Change	Explanations for changes over 25% in the ratios, if any
Trade payable turnover ratio (Consumption of Material + Goods for resale + changes in FG & WIP/average trade payable)	5.66	6.62	-14%	
Net Capital Turnover Ratio (Operating Income/ Avg. Capital Employed)	2.66	3.08	-14%	
Net profit ratio (Net profit/ Revenue)	6.51%	9.32%	-30%	Note 2
Return on Capital Employed (PBIT/Average Capital Employed)	24.16%	39.10%	-38%	Note 2
Return on Investment made (Other than business income/ Average Monthly Investment)	7.63%	5.56%	37%	Note 3

\* Company is debt free, for Debt : Equity ratio calculation purpose, amortised value of Right-of-use assets taken on lease is taken as debt.

**Note:**

1. Lease agreements were renewed on expiry of earlier contracts and a new lease contract has been entered during the year, resulting in increase of Right-of-use Assets and consequent Lease Liabilities.
2. Revenue from operation did not increase in line with volume growth due to lower annual average price of Styrene Monomer by about 11% and also pressure on margins globally due to slower than expected growth in demand from China, Europe, geopolitical issues and weak demand from appliances sector in India.
3. Return on Investments have improved due to increase in the interest rates and yields available on investments.

**NOTE : 50**

**Corporate Social Responsibility**

The provisions of Section 135 of the Companies Act, 2013 are applicable to the entities incorporated in India. Details are as indicated below:

- 1) Gross amount required to be spent by the Company during the year : ₹ 1,422.32 lakhs (Previous Year ₹ 1,082.11 lakhs)
- 2) Amount spent during the year on:

Particulars	(₹ in Lakhs)	
	Year Ended March 31, 2024	Year Ended March 31, 2023
(i) Amount required to be spent during the year	1,422.32	1,082.11
(ii) Amount spent during the year on:		
(a) Construction / acquisition of asset	289.41	419.00
(b) For purposes other than (a) above	1,140.44	637.83
(iii) Set off from previous year	-	25.28
(iv) Excess at the end of the year	(7.53)	-
(v) Total of previous years shortfall	-	-
(vi) Reason for shortfall	-	-
(vii) The Company, considering the proviso to Section 135(5) of Companies Act, 2013, prefers its social welfare activities in the vicinity of its plants in Amdoshi, Maharashtra and Manali, Tamil Nadu. Company undertakes CSR activities, in terms of Schedule VII of Companies Act, 2013 and its CSR Policy, benefitting the people majorly in terms of Health and Hygiene, Education, Old Age Centres, Paraplegics Support, Construction of Gram Panchayat Building, Toilets Blocks, Schools, Health Centre, Helping cancer patients & youth skilling, Sports, Cultural Activities, Rural Development, Recycling of Consumer plastic waste etc. inter alia other welfare activities taken up to support the deserving marginalised people.		
(viii) Amount of surplus to be carried forward in subsequent years for set off:	(7.53)	-



(₹ in Lakhs)

Particulars	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
FY 2023 - 24	–	1,422.32	956.51	473.34	(7.53)
FY 2022 - 23	25.28	1,082.11	580.47	476.36	–

(ix) The Company has taken up projects under CSR, which are under implemented. An amount of ₹ 473.34 lakhs (Previous Year ₹ 476.36 lakhs) allocated to these projects and yet to be spent and same is transferred to a separate fund maintained with one of the Company's bankers on April 21, 2023. There is no shortfall in the amount to be incurred under CSR for the year 2023-24.

(x) None of the above amount spent is through any related party / affiliate.

(xi) The Company does not carry any provisions for Corporate social responsibility expenses for current year and previous year.

**NOTE : 51**

Previous year's figures have been regrouped and rearranged wherever necessary to conform to current year's classification. The details are as under:

(₹ in Lakhs)

Regrouped Particulars	Increase / (Decrease)
Non-Current Financial Asset - Other Financial Assets	48.79
Other Non-Current Assets	(41.55)
Other Current Assets	(7.24)
Cash and Cash Equivalents	(150.00)
Bank Balances Other Than (iii) above	150.00
Cost of Materials Consumed	(83.74)
Changes in Inventories of Finished Goods and Work-in-process	83.74

**NOTE : 52**

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 : 53**

The other matters as required under paragraph "L - Additional Regulatory Information" under part I of Division II of Schedule III of the Companies Act, 2013 and Paragraph 7(l) and 7 (n) of Part II of Division II and Schedule III to Companies Act 2013, are either not applicable or there are no reportable matters.

**NOTE : 54**

Previous year's figures have been audited by firm of Chartered Accountants other than Kalyaniwalla & Mistry LLP, Chartered Accountants.

As per our report of even date.

**For and on behalf of the Board of Directors**For **Kalyaniwalla & Mistry LLP**

Chartered Accountants

Firm Registration No. 104607W / W100166

**M. P. Taparia**

Chairman

(DIN No.00112461)

**Rajan B. Raheja**

Director

(DIN No.00037480)

**B. L. Taparia**

Director

(DIN No.00112438)

**S. J. Taparia**

Director

(DIN No. 00112513)

**Darius Z. Fraser**

Partner

Membership No.: 42454

**R. Kannan**

Director

(DIN No. 00380328)

**Ameeta Parpia**

Director

(DIN No.02654277)

**Dr. S. Sivaram**

Director

(DIN No.00009900)

**Rajeev Pandia**

Director

(DIN No.00021730)

**K.V. Mujumdar**

Director

(DIN No.08866096)

**N. Gopal**

Executive Director

(Styrenics) &amp; Manager

**Rakesh Nayyar**

Executive Director

(Finance &amp; Corporate Affairs) &amp; Chief Financial Officer

**D.N. Mishra**

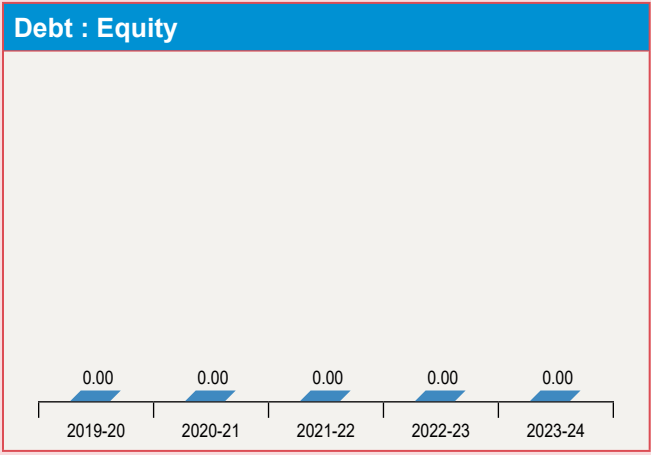
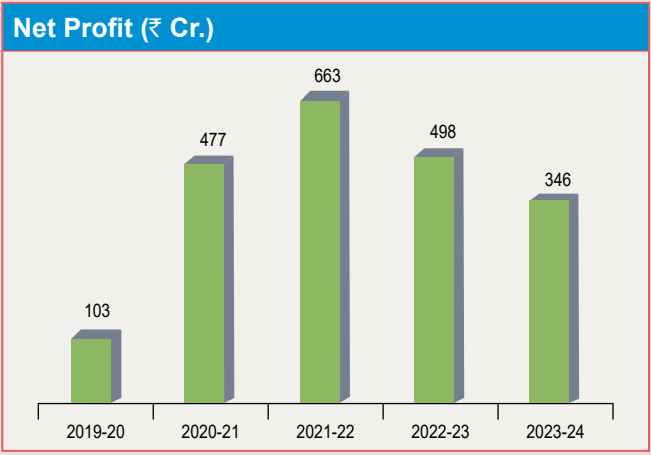
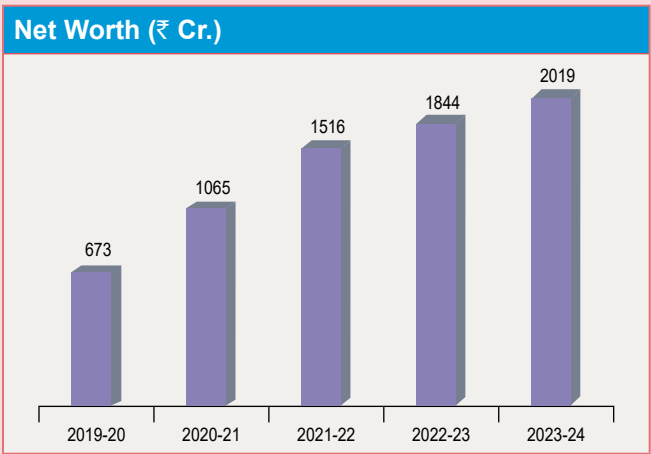
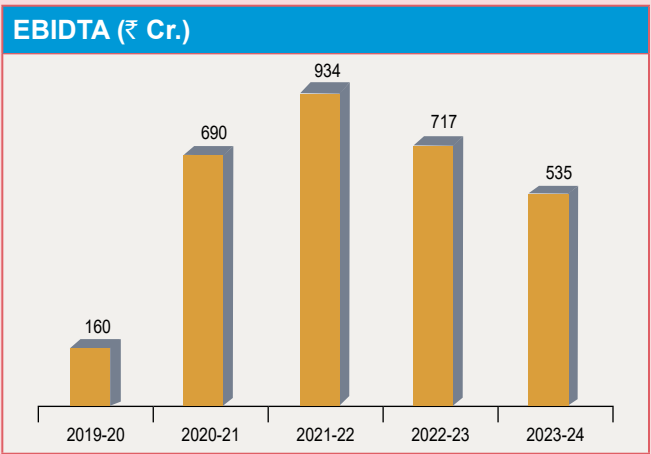
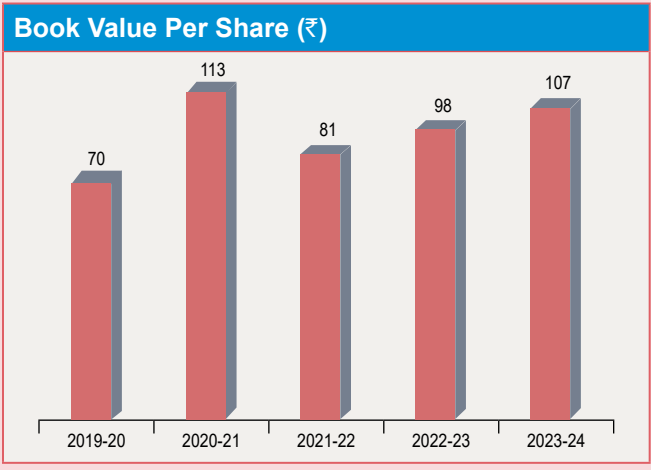
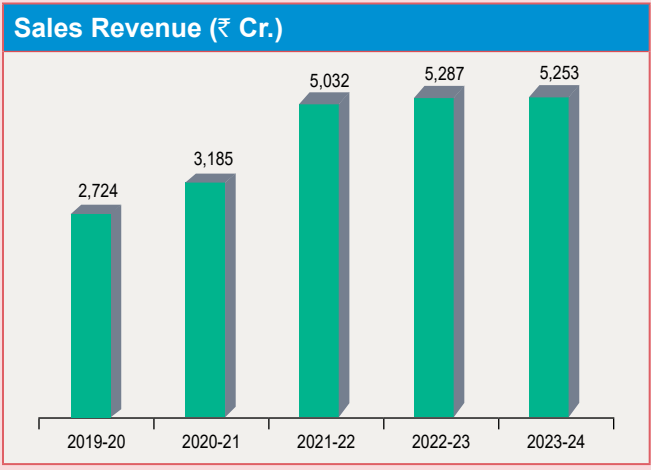
Company Secretary

Place : Mumbai

Date : April 24, 2024



**FINANCIAL HIGHLIGHTS**





## **SUPREME PETROCHEM LTD**

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**Website: [www.supremepetrochem.com](http://www.supremepetrochem.com)**