

# Leveraging inherent resilience

Building a sustainable business.

# Inside the report

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### Forward-looking statements

Some of the information in this report may contain forward-looking statements, which include statements regarding the Company's expected financial position and results of operations, business plans and prospects, etc. They are generally identified by forward-looking words, such as "believe", "plan", "anticipate", "continue", "estimate", "expect", "may", "will", or other similar words. Forward-looking statements are dependent on assumptions or the basis underlying such statements. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution that the actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. We undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.



# At Ami Organics, innovation and responsibility have been at the core of building a sustainable enterprise and exploring possibilities towards creating a better future.

**We have invested significantly over the years in enhancing and deepening our capabilities, ensuring manufacturing excellence, reducing costs, developing a strong ecosystem of technology and innovation and, most importantly, cultivating a culture of customer centricity.**

FY23 presented us with a number of challenges such as supply-side challenges, elevated commodity and gas prices, increasing raw material prices, among others. While supply side issues continued to pile up, we also saw muted demand environment across industries. While the start of the year was demanding, the situation gradually improved as the year progressed, albeit at a slower pace. However, we have used this challenging year to create various growth drivers for the coming years.

To combat the headwinds, we leveraged our inherent resilience and the agility of our business model to emerge stronger. We continue to hone our capabilities in terms of product design, and functionality, accelerate our innovation to meet the ambitions of our global customers, and achieve leadership.

At Ami Organics, our core facilitators of value development have always been consistent research-driven innovation, fast adoption of new technologies, and aggressive forays into new business areas. Even when faced with multiple global headwinds that tested our resilience,



**We stayed true to our core values to build a sustainable business.**

# A closer look at our expanding business

We are a leading player in chemical manufacturing sector backed with strong research-driven capabilities in the production of pharma intermediates and speciality Chemicals. We specialise in the research and development of niche pharmaceutical intermediates for regulated and generic active pharmaceutical ingredients (API) and new chemical entities (NCE), and key starting materials for agrochemical and fine chemicals.

With a strong emphasis on research and development, we have consistently delivered high-quality products that cater to diverse sectors. We are a global manufacturer of pharma intermediates chemicals for Pharma industries and speciality chemicals for Agrochemicals, Cosmetics and Polymers.

We are dedicated to upholding the greatest levels of quality, safety, and environmental responsibility, as evident by the certifications we obtained. We employ qualified and dedicated professionals who operate cutting-edge production lines that are supported by state-of-the-art testing facilities and innovative technology.

We have long-term relationships with domestic and multinational corporations in large and rapidly expanding global markets. Our commitment to environmentally friendly practices has helped us earn a reputation as a trusted partner among our global clientele.



**Key highlights for FY23****Rs. 6,211 million**

Total revenue for FY23

**Rs. 1,227 million**

EBITDA for FY23

**Rs. 833 million**

PAT for FY23

**500+**

Customers

**~50**

Countries

**59%**

Exports for FY23

**3**

Manufacturing facilities at Gujarat

**1**State-of-art in-house R&D facility  
recognized by DSIR in India**520+ product**Approx. 70 new products added  
in FY23

# Chairman and MD's message



“ At Ami Organics, we continue to focus on using our chemistry skills and manufacturing finesse to build newer products which can have applications across various industries. ”

## Dear Stakeholders,

It is my pleasure and privilege to present our Annual Report for FY23. I am delighted to share that Ami Organics has achieved remarkable growth and success over the past year, thanks to the unwavering dedication, hard work and support of our employees, stakeholders, and partners. Despite the numerous challenges, we remain dedicated to our three focus areas — innovation, quality and technology.

### Inherent Resilience in the face of macro challenges

The year started with a very challenging environment which was led by macro-economic factors like Russia's invasion of Ukraine, rising inflation across the globe resulting in destabilisation of the already near stabilising supply chain coupled with higher natural gas, commodity, and raw material prices. This has impacted demand across the chemicals industry which witnessed slower growth in first half of FY23. While these challenges posed a threat to us as a Company, our resilience in a secure orderbook kept us buoyant in an otherwise uncertain market. We continue to dominate the global market share of our key molecules which makes us less vulnerable compared to our peers who are usually the second source of supply and the first ones to get affected by slower demand.

As we progressed through the year, some of these headwinds have started fading slowly but not entirely. On the industry front, supply chains stabilised to a great extent with crude and natural gas prices rationalising in the H2 of FY23 leading to rationalisation in gas, commodity and raw material prices. This has helped in bringing cost pressures down, which is visible in our sequentially growing margin trajectory for FY23. With the demand environment improving in second half of FY23, we are hopeful of a better demand environment in FY24.

While on the industry front things are improving, the macro scenario continues to remain uncertain with sticky inflation and no end in sight of the war in Ukraine. These macro headwinds will keep the global economy on its tenterhooks. However, despite a slower growing economic scenario, I am certain that the pharmaceutical industry which is our largest market as of now will remain resilient due to its essential nature of the products.

### Building a sustainable business

#### Sustained strong growth momentum

During the year under review, we registered robust growth in Revenue, EBIDTA and profits. Our revenue from operations stood at Rs. 6,167 million, registering a growth of 18.6%, compared to FY22.

Additionally, our gross margins stood at around 46.3% during FY23. The EBITDA margin was 19.9% and the EBITDA stood at Rs. 1,227 million during FY23 with the growth of around 16.6%, compared to FY22.

The reported PBT during FY23 is Rs. 1122 million, which has increased by 22.7% compared to FY22. The Company reported PAT margin of 13.5% and profit after tax stood at Rs. 833 million during

FY23, with a growth of 15.8% compared to FY22.

The performance during the year was driven by our advanced pharma intermediate business which grew strongly by 22% YoY to Rs. 5,180 million during the year whereas our specialty chemicals business grew steadily at 3% YoY to Rs. 990 million. Advance pharma intermediate business was 84% and Specialty chemicals was 16% of FY23 Revenue.

### Building future revenue drivers for sustained growth

#### New Products:

At Ami Organics, we continue to focus on using our chemistry skills and manufacturing finesse to build newer products which can have applications across various industries. We have already developed two electrolyte additives for Lithium-Ion batteries and these products are in final stages of vendor qualification. We remain hopeful of commercialising them in FY24.

During the year, we also entered into a definitive agreement to sell advance pharma intermediates to Fermion. This is a multi-year, multi-tonne, multi-million-euro agreement with us for being the exclusive supplier for the product.

**“ The Company reported PAT margin of 13.5% and profit after tax stood at Rs. 833 million during FY23, with a growth of 15.8% compared to FY22. ”**

“ During the year under review, we registered robust growth in Revenue, EBIDTA and profits. Our revenue from operations stood at Rs. 6,167 million, registering a growth of 18.6%, compared to FY22. ”

We have several niche products in the pipeline and we will update our investors once some of these products cross certain important milestones in their development journey.

#### Existing products leading the way:

Coming to our existing products, we continue to update and upgrade our technology to remain ahead of the curve. We have shifted many of our top products with high volumes to flow technology which will help us maintain/gain global market share of these molecules while maintaining steady margins.

#### New Capacities to augment the growth:

As our Sachin unit is expected to reach its full capacity, we have already started building capacities for future growth with clear understanding of future demand and products to be manufactured. The Capex planned at our Ankleshwar site is of Rs. 190 crore and we believe it will help in robust growth till 2028 when it will reach its maximum capacity.

#### Inorganic Growth:

While we have multiple organic growth drivers in place, we have added another inorganic growth driver to the list. Towards end of the financial year, we announced the acquisition of Baba Fine Chemicals which manufactures super niche chemicals for the Semiconductor industry. This acquisition will help us foray into a very high entry barrier semiconductor industry with a strong brand name of Baba Fine Chemicals.

Overall, we have multiple growth levers in place, and I believe some of them will start firing in FY24 which will help us to continue our strong growth momentum.

#### Beyond business priorities

Beyond business priorities, our focus has always been on people and the planet. We are committed to promote sustainable practices in our operations in line with our triple bottom line of ‘People, Planet and Performance’.

We strive to lower our environmental footprint through water recycling and zero-liquid discharge practices.

In addition, all of our production facilities are ISO 9001:2015 and ISO 14001:2015 certified.

I am happy to announce that our sustainability efforts have been assessed by Ecovadis which has certified us in the ‘Bronze Category’, reassuring our commitment to sustainable growth and development.

#### Looking ahead

Over the years, the ability to capitalise on opportunities while improving our services has enabled us to spur growth and become a trusted and committed partner to our customers across all our business divisions. We remain committed to our long-term strategies to ensure sustainable growth in the future.

We will continue to invest in research and development to ensure that we remain at the forefront of the industry and meet the evolving needs of our customers.

On behalf of everyone at Ami Organics, I would like to express my sincere gratitude to you, my stakeholders, for reposing your trust in our capabilities and our ability to deliver sustainable value.

Warm regards,

**Nareshkumar Patel**  
Executive Chairman & Managing Director



# Reaching milestones

**2004**

- ▶ Establishment of a partnership firm called “Ami Organics”

**2005**

- ▶ Awarded the Gujarat Gas Safety Award for creating and implementing a successful HSE Management System

**2007**

- ▶ Ami Organics changed its name from Partnership Firm to “Ami Organics Private Limited” in its constitution

**2011**

- ▶ IMS (Integrated Management System) was implemented

**2015**

- ▶ Rs. 1,000 million turnover achieved
- ▶ Ami Onco-Theranostics, LLC and Photolitec LLC formed a 50-50 joint venture in Delaware, USA.

**2016**

- ▶ Successfully completed USFDA inspection to receive EIR at Sachin facility
- ▶ The DSIR of India recognised our in-house R&D unit

**2017**

- ▶ 5 products were submitted for process patents in India
- ▶ Outstanding export performance “Second Award” Panel - II: Inorganic, Organic and Argo Chemicals
- ▶ Rs. 1,500 million turnover achieved
- ▶ 1,050 MT of RM storage capacity and expanded warehouse capacity and modern infrastructure

**2018**

- ▶ Completed the evaluation and built a manufacturing and storage facility at Sachin that complied with GMP standards
- ▶ Recognized as “Two Star Export House” by DGFT
- ▶ “Business Innovation Award” under Dare to Dream awards by SAP
- ▶ Received first EIR from USFDA achieved

**2019**

- ▶ ISO 45001:2018 certifications were obtained

**2020**

- ▶ The USFDA has approved a second EIR for a manufacturing facility in Sachin
- ▶ Commencement of a new R&D lab at Sachin
- ▶ Commencement of the new solvent recovery plant at Sachin

**2021**

- ▶ Acquisition of the Ankleshwar and Jhagadia units from GOL
- ▶ Award for ‘Excellence in Research in Science and Technology’
- ▶ Fairdeal Filaments Honours Outstanding Entrepreneurs in the MSME Sector
- ▶ Applied for process patents for three additional products in India
- ▶ Successful maiden IPO of Company and listing of Shares on BSE & NSE

**2022**

- ▶ Achieved sales milestone of 5000 million
- ▶ Outstanding Business Leader of the Award to the Chairman & MD Mr. Naresh Patel by FGI.
- ▶ Forayed into electrolytes segment by incorporating Wholly Owned Subsidiary -Ami Organics Electrolytes Pvt. Ltd.



# Creating holistic value through differentiation



## Niche product portfolio with a strong market share



We target the chronic disease market with our niche products that have less competition. Our key products have a global market share of 70 to 80% based on F&S Reports.



## Diversified customer base across geography



We have a successful track record of collaborating with innovators who have loyal customers across multiple products. We are a trusted and dependable supplier of intermediates worldwide. We are a preferred supplier for important molecules.



## The reputation of bringing new products to the market aided by strong R&D capabilities



In the majority of the products, we are First-to-Market. Capability to manufacture a product from stage N-1 to stage N-8 using a single intermediate utilising diverse synthesis techniques.



## High entry barriers



Enlistment as a supplier requires a lengthy gestation period. Complex chemistries and regulatory requirements pose challenges for new entrants.



## Diversified products to support our growth in future



We developed electrolytes additives for usage in electrical batteries for varied purposes like electrical vehicles.



## 520+ product portfolio



Includes items under development or testing for our clients, some of which have the potential to help us expand in the next years.



## Robust cost management and Process Improvements



73% of our raw materials are procured from domestic vendors. The industry's lowest costs and highest-quality products are the result of a relentless focus on process improvement and optimisation.



# Augmenting value through an agile model



## OUTPUTS

## SDGs COVERED

**Rs. 6,211 million**

Revenue

**Rs. 833 million**

PAT

**Rs. 1,227 million**

EBITDA

**Rs. 32,418 million**Market capitalization  
(As of 31st Mar 2023)**3**

Manufacturing units

**70**New products  
launched**2**

Patents under publication

**4**

Patent granted

**8**

Patents applied

**Stakeholder engagement**

Customers



Shareholder



Business partners



Employees



Governance

**23340 hours**

EHS training hour

**81%**

Retention rate

**12**

CSR Programs conducted

**81%**

Water recycled

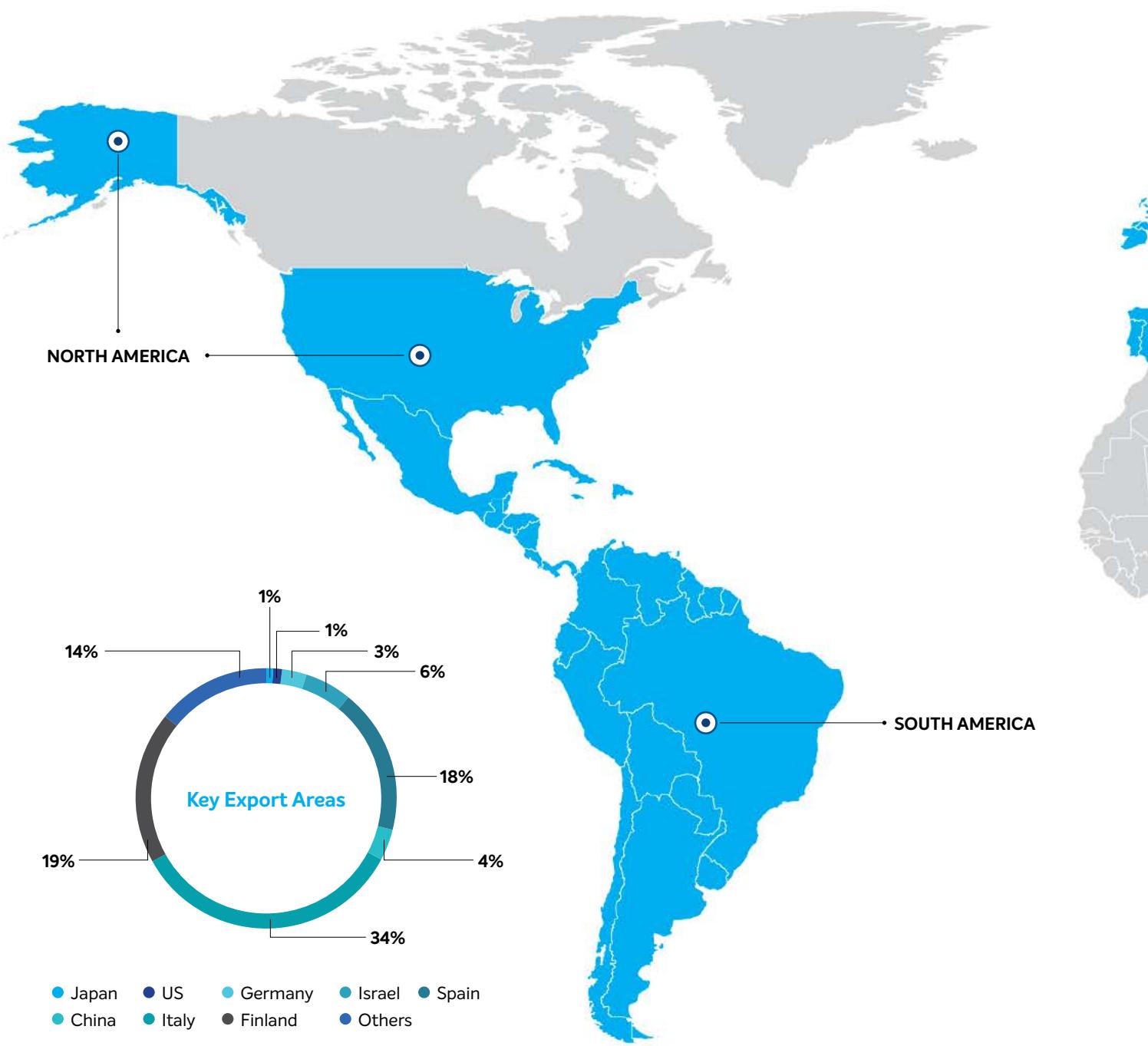
**Greenbelt**

development in GIDC



# Expanding our geographic footprint

We have a broad geographical presence that includes both domestic and foreign markets. With our production facilities ideally positioned in Gujarat, we have developed a strong presence. These facilities allow us to produce and distribute our products more efficiently across the country. Our extensive regional presence enables us to serve a diverse client base while maintaining a competitive advantage in the chemical and pharmaceutical sectors.



**58%**

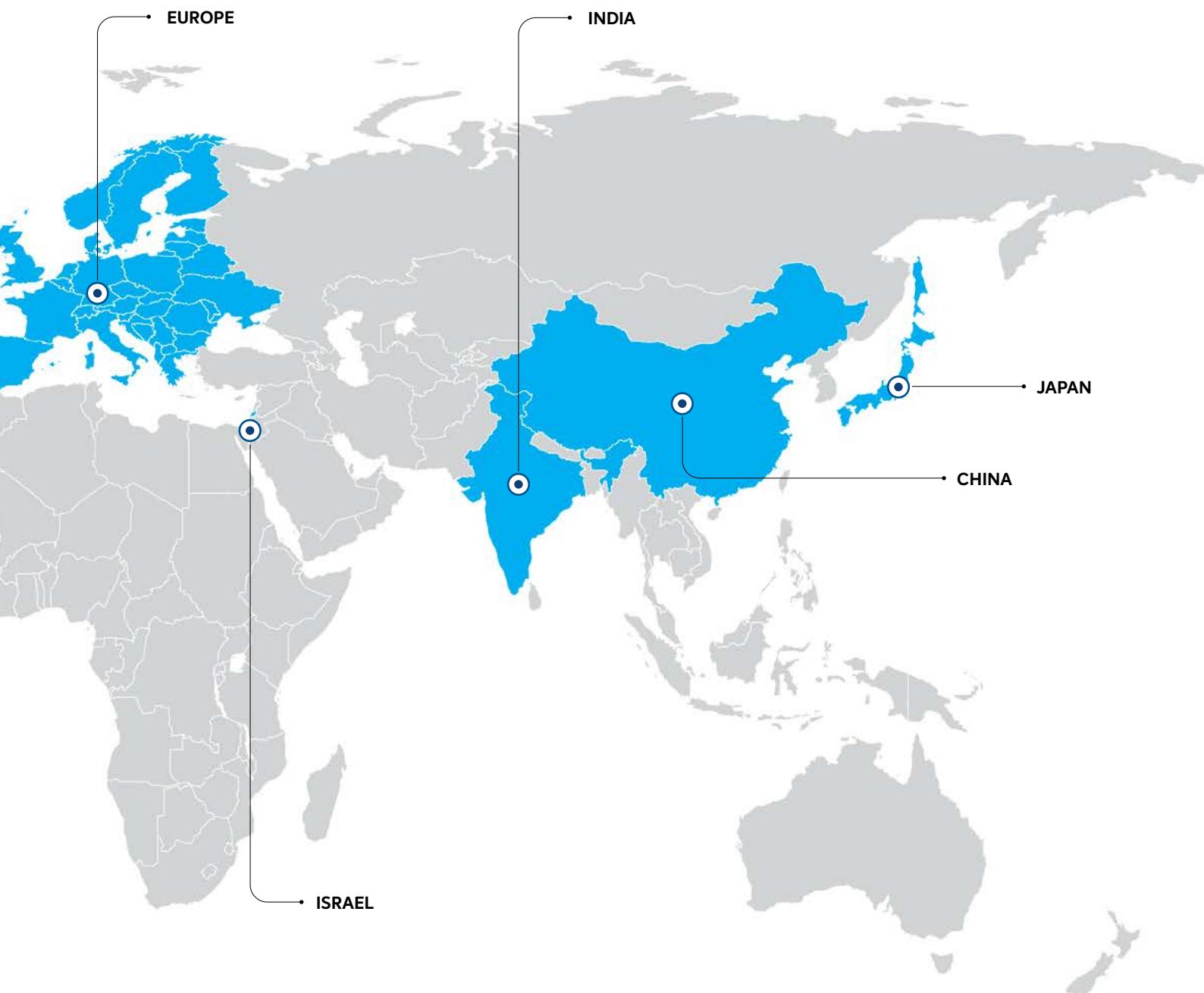
Of revenue generated from  
top 10 customers in FY23

**13**

Customers associated since  
last 10 years

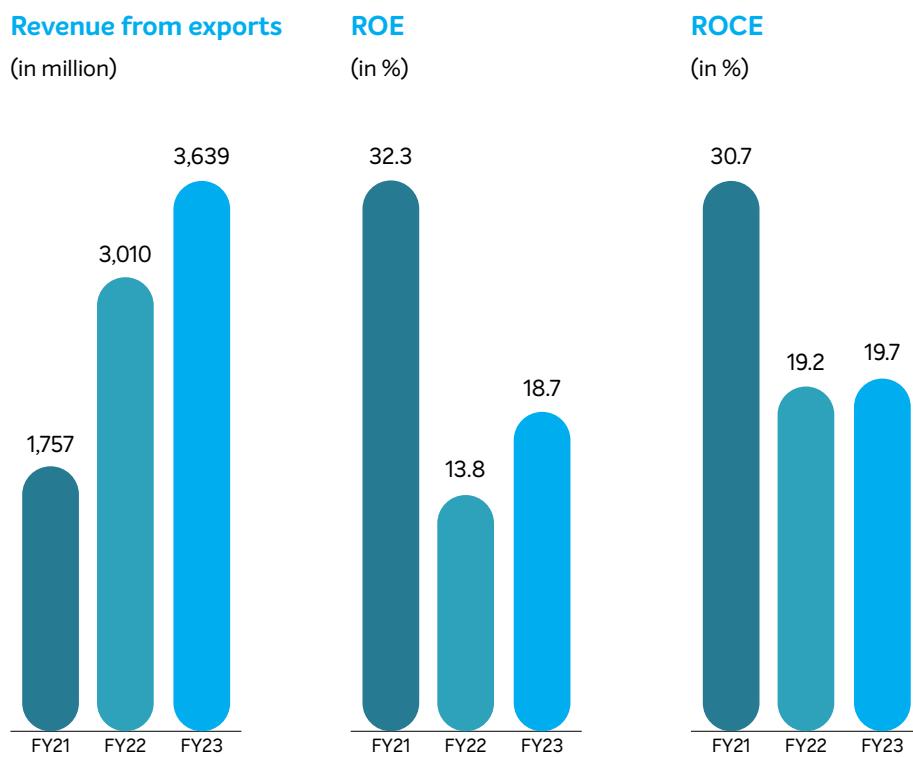
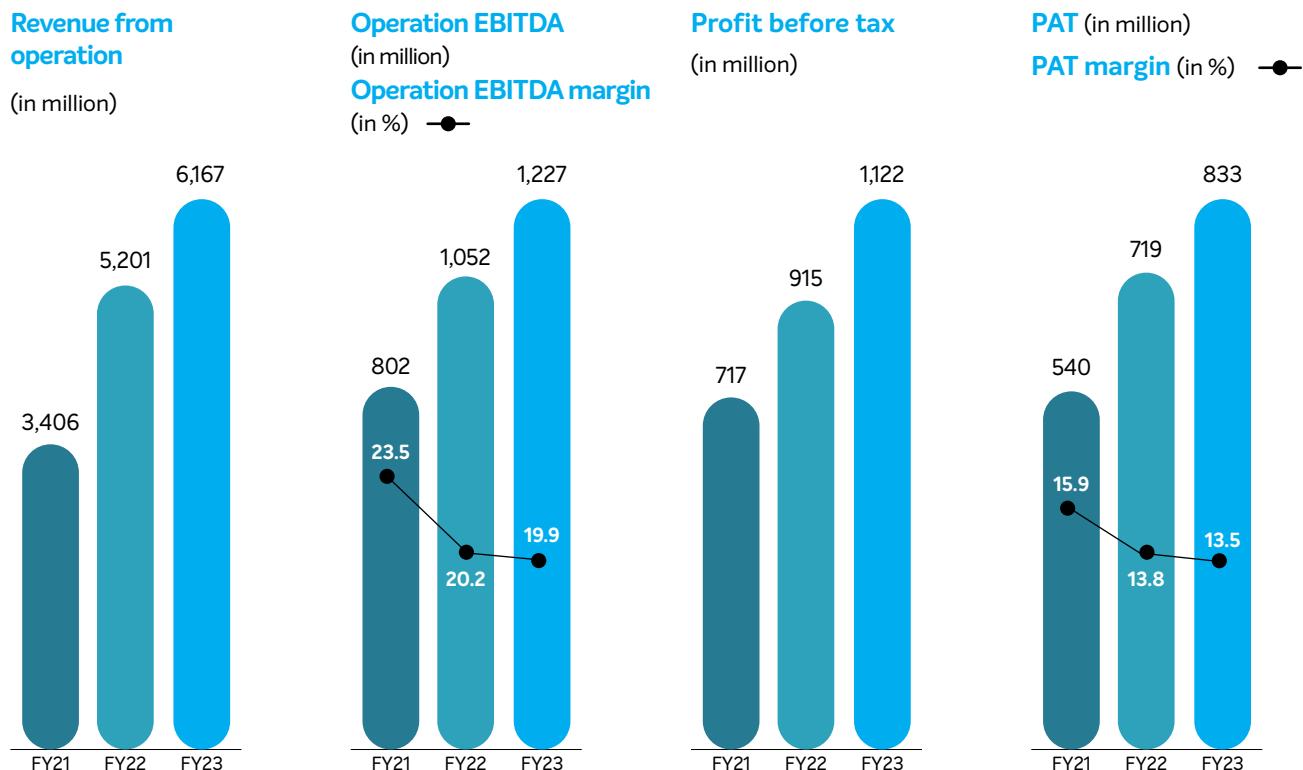
**50**

Customers associated since  
last 5 years



Map not to scale. Only for representation purpose

# Our performance scorecard





### Our Capabilities in Key Chemistry



# Our diverse sectoral presence



Ami Organics is the leading manufacturer of Advance pharma intermediate products in India, accounting for a substantial portion of business. We offer intermediates in 23 different therapeutic areas. We intend to expand our customer base across geographies by focusing on the chronic segment.

## Key highlights

**Rs. 5,180 million**

Revenue from advance pharmaceutical intermediates for FY23

**50-90%**

Market share in key molecules

**185+ customers**

Added ~40 new customers in FY23

**60+**

New products launched in FY23

**14**

Process patents (2 Patents under publication, 4 Patents granted and 8 Patents applied)

**2**

Manufacturing facilities at Surat and Ankleshwar (in Progress), Gujarat

## Advanced Pharma Intermediates business model

### Import substitute

We supply import substitute intermediates to the pharma companies.

**~1-3%**

Share contributes to import substitute

### Contract development and manufacturing organisation

We perform contract manufacturing for large pharmaceutical companies and offer exclusive long-term supply contracts.

**5%**

Share contributes to CDMO

### Regulatory market business

We supply NCE molecules and intermediates to the pharma innovator companies for the products under patent and also for off-patents products.

**~40-45%**

Share contributes to regulatory market business

### Emerging market business

We supply intermediates to generic API manufacturer having first mover advantage and sustaining market through cost efficiency.

**~50-55%**

Share contributes to emerging market business

## Factors differentiating us



### Chronic therapy focused

Our 91% of the product catered on fast-growing chronic segment



### R&D leadership

We are the first to commercialise the target products, which can be produced using various synthesis methods. We are equipped to provide products at stages n-1 through n-8.



### Presence across value chain

We are present across the value chain of intermediates business from supplying NCE to innovators while providing a wide range of products with the different routes of synthesis and different levels of intermediates.



### Preferred supplier

We are the preferred suppliers for the innovators as well as big generic pharma companies.



### Wide product basket

We have a wider basket of product with more than 520+ molecules.



### Strong customer base

Being a leading manufacturer of intermediates, we offer new molecules to our existing clients.

## Growth strategy

Because of our exceptional track record of process innovation, high quality, and prompt product delivery, our Advance Pharma Intermediates sector is developing via business from global innovator. As many patented products will go off patent, we are focusing to expand into generic markets. We are continuing to produce innovative products for the global market.



At Ami Organics, we manufacture niche KSM (Key starting material) for agrochemical and Fine chemical companies. We manufacture parabens and parabens formulation, salicylic acid and other special chemicals that are used in cosmetics, dyes, polymers and agrochemical industries, animal foods and personal care industry.

### Key highlights

**Rs. 990 million**

FY23 revenue

**300+**

Customers across the globe

**1**

Manufacturing facilities at Jhagadia, Gujarat

**30+**

Countries

**3**

New product launched in FY23

**50+**

Products

## New product development

### Electrolyte for cells

At Ami Organics, we have successfully launched two electrolyte additives for cells used in energy storage devices. We are the only Indian Company to manufacture these products. The electrolyte additive has been approved by few clients and some of them have released plant scale trial orders. We anticipate to receive some sizeable orders by FY24.

We have developed two new products — one Liquid electrolyte additive to increase electro-capacity of Li batteries and another for Solid battery. In the case of electrolytes, the process has been well developed to enable us manufacture large scale orders.

## Acquisition

### Baba fine chemicals

To augment our inorganic growth strategy and complement our existing product portfolio, Ami Organics' Board of Directors have approved the acquisition of 55% stake in Baba Fine Chemicals (BFC). BFC is into manufacture of high value custom speciality chemical products for usage in semiconductor industries.

Baba Fine Chemicals currently manufacture and deliver exclusive custom made chemical products for semiconductor industries. With this acquisition we aim to gain entry into a very high entry barrier semiconductor industry and leverage our operational finesse and marketing strategy to help the business grow. Baba Fine Chemicals makes very high purity chemicals, Part per trillion kind of purity with its main application in photo resistance chemicals in semiconductor industries.

# 30%

Year-on-year growth



### Gujarat Organic Limited

Our acquisition of Gujarat Organics Limited represents a key milestone in the company's strategic expansion plan. We took over the company to develop low-cost, high-quality items for both existing and new clients. Recognising the importance of a successful post-acquisition integration, we have implemented several best practices to ensure a smooth transition and maximise the potential of this acquisition.

We are concentrating on developing strong leadership inside the integrated company. We laid the groundwork for effective decision-making, simplified processes, and cohesive cooperation by identifying and elevating talented leaders. Culture has also been identified as an essential component of the integration process. We worked on to harness Gujarat Organics Limited's strengths and easily integrate them into its existing operations by establishing a common culture that supports cooperation, innovation, and excellence. Management minutely monitored the whole integration process. The organisation guarantees that the integration progresses smoothly and delivers the expected results by closely monitoring progress, responding to difficulties quickly, and adjusting tactics as needed.

### Growth strategy

We are focusing to expand our product base for our specialty division while developing exciting product pipeline at different stages of validations and approvals. We are focused on development and entry into newer molecules with strong entry barriers for accelerating growth. We continue to work on improving operational efficiencies in order to deliver better margins. Our speciality business is expected to grow faster than the core pharma intermediate business.

# Building a strong core

At Ami Organics, our manufacturing facilities are equipped with cutting-edge technology and adhere to stringent quality control measures, ensuring the production of high-quality chemicals and intermediates.

## Ankleshwar unit

Our chemical manufacturing plant in Ankleshwar has been effectively relocated to the Jhagadia unit with no revenue loss. During the year the Board approved the capex of Rs. 190 crores in order to build a brownfield plant in Ankleshwar, Gujarat while supporting the growth of advance pharmaceutical intermediates segment. The unit has received environmental clearance and the new facility will have approx. 90 reactors taking the total reactor capacity to 436 KL.

Development of new plant at Ankleshwar is in progress. Civil work for production and admin block is completed. Civil works for Tank farm and warehouse is more than 60% completed. Machinery installation is in progress in block-1. We are hopeful that Ankleshwar unit will be fully operational by the year end. We are implementing an automation system called the DCS system in our manufacturing facility of Ankleshwar in order to reduce manpower intervention and achieve high operational

efficiency. The DCS system works with high accuracy while providing quality processes, allowing us to save manpower.

**10,375 sq. metres**

Land area

**436 KL**

Reactor Capacity



## Jhagadia Unit

Our Jhagadia manufacturing facility permits the production of parabens, PHBA, and other specialised compounds. It consists of 26 stainless steel and glass reactors with completely specialised lines for the production of parabens and PHBA.

The unit has a state-of-the-art ETP with zero liquid discharge solution, which aids in separating solids from liquids that can be recycled. In contrast, 15,830 square metres of land is available for brownfield expansion.

To increase our cost efficiency, we built a coal boiler in place furnace oil boiler at the Jhagadia site, complete with dust collector and scrubber system to reduce environmental impact. We received approval from the authority to integrate a coal boiler, which is more economically feasible.



**56,998 sq. meters**

Land areas

**3,600 MTPA**

Installed capacity

## Sachin Unit

Our Sachin manufacturing site in Gujarat allows around 65% of pharmaceutical intermediate manufacture. The unit is divided into two blocks, each having 13 distinct product lines, 40 reactors, 17 dryers, a zero-liquid discharge based ETP and SBT system, and a warehouse located near the Sachin plant.

We have a dedicated in-house R&D facility that is housed in GIDC, Sachin and covers an overall built-up area of 2,200 square metres. Our analytical development laboratory also supports this facility's development activities, freezing specifications, and method development for finished products, in-process intermediates, key starting materials (KSMs), and raw materials.



**Manufactured facility**

**8,250 sq. meters**

Land areas

**Warehouse facility**

**2,812 sq. meters**

Land areas

**2,460 MTPA**

Installed capacity

**1,050 MTPA**

Installed capacity

# Innovating consistently to deliver excellence

At Ami Organics, the Research and Development (R&D) is driven by a clear and transparent vision to expand our product portfolio. We aspire to prosper in a highly competitive industry by consistently implementing new processes, modern technologies, and rigorous techniques, while producing molecules compounds to meet the demands of our clients.

**23,681 sq. Ft**

DSIR approved in-house R&D facility at Sachin

**4**

Patent granted

**2**

Patent under publication

**8**

Patents applied



## Our R&D strategy

Our R & D strategy is based on nurturing dedicated R & D team comprising of scientists who are fully focussed on developing new product pipeline, development of new chemical entities and molecules and process advancements. We have a specialised team of 120 plus members comprising of scientists, engineers and PhDs.

By focussing on process optimisation and technological advancements we are consistently meeting customer expectations and fostering cost optimisation. Additionally, we actively engage in Contract Development and Manufacturing Organisation (CDMO) business, which provides us with new avenues for growth and collaboration.



## Our approach

Our commitment to achieve excellence by pioneering technology is unwavering, and we constantly monitor the progress of the pharmaceutical industry to stay at the forefront of innovation. Our success can be attributed to several notable launches, particularly in the API intermediates segment which includes 70 new molecules launch in FY23.

Moreover, we offer a wide range of fine chemicals and parabens to cater to diverse market needs.

We remain on the pace with newest industries breakthroughs and exchange expertise with industry professionals by actively engaging in conferences, webinars, seminars, and International events such as CPHI and Chemspect.

Our approach involves identifying potential products through thorough market research, customer demand analysis, and active collaboration. We rely on our well-established research and development (R&D) team, quality assurance (QA) and quality control (QC) systems, and robust supply chain expertise to ensure successful commercialisation. From initial process verification to comprehensive validation, while delivering high-quality products.





## Technology

We focus on developing competitive molecules that align with market requirements and enable us to effectively compete with other developers. To ensure future growth and maintain a competitive edge, we continue to invest in advanced technology development for our products.

We strive to deliver high-quality, efficient, and cost-effective solutions by using these cutting-edge processes and innovative approaches. In the future, our R&D department will be investigating new technologies, detecting new market trends, and promoting strategic alliances. We seek to be at the cutting edge of scientific innovation.



## Continuous flow reactor

We simplify the manufacture of paraben compounds by harnessing the benefits of continuous flow, enabling quicker and more efficient manufacturing processes. We also use continuous flow reactors for nitration, chlorination, etherification, ammoniation, and diazotisation, enhancing our capability to deliver high-quality products. Continuous flow reactors are more productive and ecologically friendlier than conventional reactors.

The continuous flow reactor created capabilities for reactors with plug flow, catalytic fixed-bed flow, and tubular flow. With the help of this technology, we have successfully launched photo chlorination and Grignard in a pilot flow reactor, which results in optimising utility usage.



# Exercising stringent quality control

At Ami Organics, we are committed to deliver safe and reliable products, we employ stringent quality control measures throughout our manufacturing processes. We ensure that each product fulfills the highest quality demands by adhering to internationally recognised standards and employing cutting-edge technology. We continue to supply our clients with pharmaceuticals and specialty chemicals of high quality and efficacy, thanks to a strong quality control system.

We are committed to adhering to regulatory compliance requirements, and our products undergo regular audits by customers according to specific product guidelines. This approach ensures that our products meet the necessary regulatory standards, giving our customers confidence in the quality and safety of our offerings.

When it comes to product development in our R&D phase, safety is a top priority. We thoroughly evaluate safety through extensive research and practical assessments. The necessary data generated during this process is shared with our production team to ensure the implementation of appropriate safety measures. Additionally, before any operation takes place, we conduct Hazop studies to identify and mitigate potential hazards effectively. Our dedicated departments work diligently to execute the demanded requirements, employing process validation techniques to consistently deliver high-quality products.





# Crafting a robust ESG Roadmap



## Taking climate-actions seriously

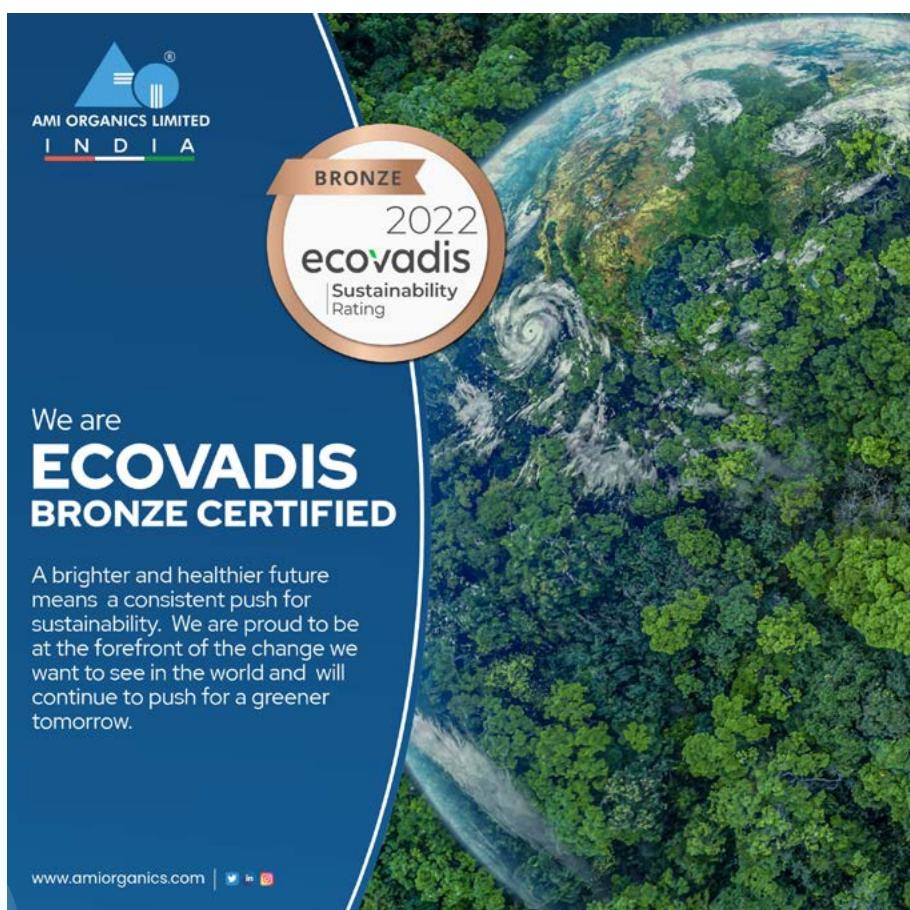
At Ami Organics, we are committed to create a sustainable environment through innovative and environmentally conscious practices. One of the notable initiatives is the implementation of a Zero Liquid Discharge (ZLD) based in-house effluent plant at their Sachin Unit. This state-of-the-art facility allows them to recycle wastewater, significantly reducing the water consumption and minimising the impact on local water resources.

**81%**

Waste water recycled

We are actively involved in developing a greenbelt in the Gujarat Industrial Development Corporation (GIDC) area, in addition to our water conservation activities. This project demonstrates our commitment to restoring and protecting the natural ecosystem, as well as to achieving a harmonious balance between industrial activity and the surrounding environment. By creating lush green spaces, we contribute to improving air quality, promoting biodiversity, and enhancing the overall well-being of the region.

Our commitment to environmental stewardship is further demonstrated by the ISO 9001:2015 and ISO 14001:2015 certifications obtained by all our manufacturing units. These certifications highlight our adherence to strict quality management and environmental management systems, respectively. By meeting these international standards, we ensure that our operations are conducted with utmost care and responsibility, minimising any adverse environmental impacts and promoting sustainable practices throughout our supply chain.





## Caring for our people

Ami Organics places a strong value on social responsibility and maintains high standards in its operations. We regularly connect with local communities, offering programmes that promote health and hygiene, education, skill development, and environmental awareness. We contribute to the social and economic well-being of the places in which we operate by supporting and empowering workers and local communities. We provide free meals during working hours to all our employees, workers and labourers.

We prioritise the health and well-being of our employees by implementing an Occupational Health and Safety Management System at the Sachin Facility. This system has been certified to be in compliance with the ISO 45001:2018 standards by the Bureau Veritas Certification Holding SAS - UK Branch. This certification signifies

our dedication to providing a safe and secure working environment, mitigating risks, and continuously improving occupational health and safety practices.

## SA8000:2018 Re certification awaited

Audit completed at Sachin Facility



## Fortifying our core

At Ami Organics, we place a strong emphasis on governance and ensures transparency, accountability, and integrity in its operations. We ensure the independence of critical committees within the Board. The Audit Committee and NRC (Nomination and Remuneration Committee) are both headed by independent Directors. Our commitment to sound governance extends beyond Board composition. We adhere to relevant regulatory requirements and promote ethical behaviour and compliance throughout our operations. By maintaining strong governance practices, we trust and confidence among our shareholders, employees, customers, and other stakeholders.

# 50%

Board constitutes  
independent Directors



# Board of Directors



**Nareshkumar R. Patel**

Executive Chairman & Managing Director



**Chetankumar C. Vaghasia**

Whole Time Director



**Virendra Nath Mishra**

Whole Time Director



**Ram Mohan Lokhande**

Whole Time Director



**Girikrishna Maniar**

Non-Executive – Independent Director



**Hetal Gandhi**

Non-Executive – Independent Director



**Richa Manoj Goyal**

Non-Executive – Independent Director



**Dr. Anita Bandyopadhyay**

Non-Executive – Independent Director

# Awards and accolades



**“Outstanding work in Research and Development”**  
by SGCCI



**“Outstanding Business Leader-Male”**  
by FGI



**“Trishul Award” for Excellence in Exports for FY 2017-18 & 2018-19**  
by CHEMEXCIL

# Senior Management Personnel



Senior Management Persons of Ami Organics Limited alongwith Executive Directors

# Corporate information

## Name of the Company :

**Ami Organics Limited**

**CIN:** L24100GJ2007PLC051093

**Website:** [www.amiorganics.com](http://www.amiorganics.com)

## Investors Relation mail id:

investorinfo@amiorganics.com

## Board of Directors

### Mr. Nareshkumar Patel

Executive Chairman & Managing Director

### Mr. Chetankumar Vaghasia

Whole Time Director

### Mr. Virendra Nath Mishra

Whole Time Director

### Mr. Ram Mohan Lokhande

Whole Time Director

### Mr. Girikrishna Maniar

Independent Director

### Mr. Hetal Gandhi

Independent Director

### Mrs. Richa Goyal

Independent Director

### Dr. Anita Bandyopadhyay

Independent Director

## Key Managerial Personnel

### Mrs. Ekta Kumari Srivastava

Company Secretary & Compliance Officer

### Mr. Bhavin N. Shah

Chief Financial Officer

## Registered Office

Plot No. 440/4, 5 & 6, Road No. 82/A, GIDC Sachin, Surat – 394 230 Gujarat, India

## Works :

**Unit 1:** Plot No. 440/4, 5 & 6, Road No. 82/A, GIDC Sachin, Surat – 394 230 Gujarat, India

**Unit 2:** Plot No. 127/1 G.I.D.C. Industrial Estate, Ankleshwar, Gujarat 393002

**Unit 3 :** Plot No. 910/1, GIDC Industrial Estate, Jhagadia, District Bharuch- 393110

**Research & Development Unit :** Plot No. C1B-469 Road No. 82-C GIDC Sachin, Surat, 394230 Gujarat

**Warehouse I :** Plot No. 478, 479 & 494, 495 Road No. 82-C GIDC, Sachin, Surat, 394230 Gujarat

**Warehouse II :** Plot No. 5538, Road No. 8 GIDC Sachin, Surat-394230, Gujarat

## Bankers

Axis Bank Limited

## Statutory Auditors

M/s Maheshwari & Co.  
10-11, Third Floor, Esplanade Building,  
3, A.K. Naik Marg, Fort,  
C.S.T. Mumbai -400001

## Registrar & Share Transfer Agent

Link Intime India Pvt. Ltd  
C-101, 247 Park, LBS Marg,  
Vikhroli (West), Mumbai 400083

## Board Committees

### Audit Committee:

**Mr. Girikrishna Maniar**  
Chairman

**Mr. Hetal Gandhi**

Member

**Mrs. Richa Goyal**

Member

### Nomination & Remuneration Committee :

**Mr. Hetal Gandhi**  
Chairman

**Mr. Girikrishna Maniar**

Member

**Dr. Anita Bandyopadhyay**

Member

## Stakeholder Relationship Committee :

**Mrs. Richa Goyal**

Chairperson

**Mr. Nareshkumar Patel**

Member

**Mr. Chetankumar Vaghasia**

Member

## Corporate Social Responsibility Committee :

**Mrs. Richa Goyal**

Chairperson

**Mr. Nareshkumar Patel**

Member

**Mr. Chetankumar Vaghasia**

Member

## IPO Committee :

**Mr. Nareshkumar Patel**

Chairman

**Mr. Chetankumar Vaghasia**

Member

**Mr. Virendra Nath Mishra**

Member

## Risk Management Committee :

**Mr. Nareshkumar Patel**

Chairman

**Mr. Chetankumar Vaghasia**

Member

**Mrs. Richa Goyal**

Member

**Mr. Bhavin Shah**

Member

## ESG Committee :

**Mr. Ram Mohan Lokhande**

Chairman

**Mr. Girikrishna Maniar**

Member

**Mr. Pratik Thakor**

Member

**Mr. Hemant Patel**

Member

**Mr. Dishank Oza**

Member

# NOTICE

## 16<sup>TH</sup> ANNUAL GENERAL MEETING

**NOTICE** is hereby given that the Sixteenth (16th) Annual General Meeting of members of **AMI ORGANICS LIMITED** (“the Company”) will be held on Monday, September 25, 2023 at 11.30 A.M. Indian Standard Time (IST) through Video conferencing (“VC”/ Other Audio Visual Means (“OAVM”), deemed to be held at the Registered Office of the Company at Plot No. 440/4, 5 & 6, Road No. 82/A, G.I.D.C. Sachin, Surat – 394 230, to transact the following business:

### ORDINARY BUSINESS:

- Adoption of the Audited Standalone and Consolidated Financial Statements of the Company together with the schedules and notes attached thereto for the financial year ended on 31st March, 2023 along with the reports of the Board of Directors and Auditors thereon.**

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

**“RESOLVED THAT** the Audited Standalone and Consolidated Financial Statements including Balance Sheet as at March 31, 2023 and Profit & Loss Account and Cash Flow Statement for the year ended on that date together with the schedules and notes attached thereto, along with the Reports of Board of Directors and the Auditors thereon be and are hereby considered, approved and adopted.”

- Declaration of Final Dividend for the financial year 2022-23:**

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

**“RESOLVED THAT** Final Dividend at the rate of 30% i.e Rs. 3/- (Rupees Three) per equity share of the face value of Rs. 10 (Ten) each, on 3,64,37,062 equity shares of the Company be and is hereby declared to the shareholders of the Company whose name appear in the Register of Members / list of beneficial owners as on the record date fixed for the purpose of determining the eligibility of members for final dividend, which shall be paid out of the profits of the Company for the financial year ended on 31st March 2023.”

- Re-appointment of Mr. Virendra Nath Mishra, who retires by rotation and being eligible, offers himself for re-appointment :**

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

**“RESOLVED THAT** Mr. Virendra Nath Mishra (DIN: 07815490), Whole Time Director of the Company, who

retires by rotation at this Annual General Meeting in accordance with section 152(6) of the Companies Act, 2013 and being eligible for re-appointment, be and is hereby reappointed as Director of the Company, liable to retire by rotation.”

### SPECIAL BUSINESS :

- Ratification of remuneration of Cost Auditors for financial year 2023-24:**

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

**“RESOLVED THAT** pursuant to provision of Section 148(3) of the Companies Act, 2013 read with Rule 4 of Companies (Audit & Auditors) Rules, 2014 and other applicable provision of the Companies Act 2013 read with rules made thereunder including statutory modification or re- enactments thereof from time to time, the Company hereby ratifies the remuneration of Rs. 2,00,000/- (Rs. Two lakhs only) excluding out of pocket expenses plus applicable taxes payable to M/s Chirag Vallabhbhai Vekariya & Co., Cost and Management Accountants (Firm’s Registration No. 001422) who have been appointed by the Board of Directors as the Cost Auditors of the Company, to conduct the cost audit of the cost records of Company for the F.Y. 2023-24.”

**RESOLVED FURTHER THAT** the Board of Directors of the Company, (including its Committees thereof), be and are hereby authorized to do all such acts, deeds, matters and things as may be deemed proper, necessary, or expedient, including filing the requisite forms or submission of documents with any authority or accepting any modifications as required by such authorities, for the purpose of giving effect to this Resolution and for matters connected therewith, or incidental thereto.”

- Reappointment of M/s Maheshwari & Co., as Statutory Auditors of Company for a second term of five consecutive years:**

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

**“RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, as amended, and pursuant to the recommendations of the Audit Committee and the Board of Directors of the Company, approval of the members of the Company be and is hereby accorded for re-appointment of M/s. Maheshwari & Co., Chartered Accountants (ICAI Firm Registration Number: FRN 105834W ) as the Statutory Auditors of the

Company for second term of five consecutive years, who shall hold office from the conclusion of the 16th Annual General Meeting till the conclusion of the 21st Annual General Meeting of the Company to be held in the year 2028, on such remuneration plus applicable taxes, out-of-pocket expenses, travelling and living expenses, as may be incurred by them in connection with audit of accounts of the Company, as may be mutually agreed upon between the Board of Directors and the Statutory Auditors.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to settle any question, difficulty or doubt, that may arise in giving effect to the aforesaid resolution including delegation of all or any of the powers conferred on it to any committee of Board of Directors and/or any other person as it deems fit and to do all such acts and take all such steps as may be considered necessary or expedient to give effect to the aforesaid resolution.”

**6. Approval of payment of remuneration to Mr. Nareshkumar Ramjibhai Patel (DIN:00906232), Executive Chairman & Managing Director:**

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

**RESOLVED THAT** pursuant to the provisions of Sections 196, 197 and 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, (“**the Act**”) rules made thereunder and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (“**SEBI LODR**”) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the nomination and remuneration policy of company and pursuant to recommendation of the Nomination & Remuneration Committee (“NRC”) and the Board of Directors, approval of the Members of the Company be and is hereby accorded, for payment of remuneration, to Mr. Nareshkumar Ramjibhai Patel (DIN: 00906232) Executive Chairman & Managing Director of the Company (*re-appointed at the 14th Annual General Meeting of the Company held on May 15, 2021 for a tenure of 5 years w.e.f May 1, 2021 and approval of remuneration under Schedule V for a period of three years w.e.f May 1, 2021 till April 30, 2024*) on the terms and conditions approved by the Board as set out in the Explanatory Statement, during the remaining period i.e from May 1, 2024 till April 30, 2026, of his present tenure, and that such remuneration shall not exceed 5% (five percent) per annum of the net profits of Company calculated as per Section 198 of the Act , being the limit of remuneration specified to any one Managing Director or Whole Time Director or Manager under Section 197 of the Act, and if there are more than one such Director overall remuneration shall not exceed ten per cent. of the net profits to all such Directors taken together;

**RESOLVED FURTHER THAT** so long as Mr. Nareshkumar R. Patel functions as the Executive Chairman & Managing Director of the Company, and draws the remuneration as

mentioned above, he will not be entitled to any fees for attending the meetings of the Board of Directors or any Committee thereof.

**RESOLVED FURTHER THAT** the tenure of Mr. Nareshkumar R. Patel, Executive Chairman & Managing Director of the Company for a period of five years w.e.f. May 1, 2021 till April 30, 2026, as appointed by the members at the 14th Annual General Meeting held on May 15, 2021, shall remain unchanged and all other terms and conditions of appointment of Mr. Nareshkumar R. Patel, as approved earlier by the members at the 14th Annual General Meeting and which are not dealt with in this resolution, shall remain unaltered.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the foregoing resolutions, the Board of Directors (which term shall be deemed to include any Committee of the Board authorized in the said behalf) be and is hereby authorised to vary and / or revise the remuneration of Mr. Nareshkumar R. Patel within limits permissible under the Companies Act 2013, and to do all such acts, deeds and things, as it may in its absolute discretion deem necessary, proper or desirable, and to settle any question, difficulty or doubt that may arise in respect of aforesaid without being required to seek any further consent or approval of the Members of Company, or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

**7. Approval of payment of remuneration to Mr. Chetankumar Chhaganlal Vaghasia (DIN:01375540), Whole Time Director:**

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

**RESOLVED THAT** pursuant to the provisions of Sections 196, 197 and 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, (“**the Act**”) rules made thereunder and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (“**SEBI LODR**”) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the nomination and remuneration policy of company, and pursuant to recommendation of the Nomination & Remuneration Committee (“NRC”) and the Board of Directors, approval of the Members of the Company be and is hereby accorded, for payment of remuneration, to Mr. Chetankumar Chhaganlal Vaghasia (DIN:01375540) Whole Time Director of the Company, (*re-appointed at the 14th Annual General Meeting of the Company held on May 15, 2021 for a tenure of 5 years w.e.f May 1, 2021 and approval of remuneration under Schedule V for a period of three years w.e.f May 1, 2021 till April 30, 2024*) on the terms and conditions approved by the Board as set out in the Explanatory Statement, during the remaining period i.e from May 1, 2024 till April 30, 2026, of his present tenure, and that such remuneration shall not exceed 5% (five percent) per annum of the net profits of Company calculated as per Section 198 of the Act , being the limit of remuneration specified to any one Managing

Director or Whole Time Director or Manager under Section 197 of the Act, and if there are more than one such Director overall remuneration shall not exceed ten per cent. of the net profits to all such Directors taken together;

**RESOLVED FURTHER THAT** so long as Mr. Chetankumar C. Vagharia functions as the Whole Time Director of the Company, and draws the remuneration as mentioned above, he will not be entitled to any fees for attending the meetings of the Board of Directors or any Committee thereof.

**RESOLVED FURTHER THAT** the tenure of Mr. Chetankumar C. Vagharia, Whole Time Director of the Company for a period of five years w.e.f. May 1, 2021 till April 30, 2026, as appointed by the members at the 14th Annual General Meeting held on May 15, 2021, shall remain unchanged and all other terms and conditions of appointment of Mr. Chetankumar C. Vagharia, as approved earlier by the members at the 14th Annual General Meeting and which are not dealt with in this resolution, shall remain unaltered.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the foregoing resolutions, the Board of Directors (which term shall be deemed to include any Committee of the Board authorized in the said behalf) be and is hereby authorised to vary and / or revise the remuneration of Mr. Chetankumar C. Vagharia within limits permissible under the Companies Act 2013, and to do all such acts, deeds and things, as it may in its absolute discretion deem necessary, proper or desirable, and to settle any question, difficulty or doubt that may arise in respect of aforesaid without being required to seek any further consent or approval of the Members of Company, or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

**8. Approval of the payment of remuneration to Mr. Virendra Nath Mishra (DIN 07815490), Whole Time Director :**

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

**RESOLVED THAT** pursuant to the provisions of Sections 196, 197 and 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, (“**the Act**”) rules made thereunder and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (“**SEBI LODR**”) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and pursuant to the nomination & remuneration policy of Company and recommendation of the Nomination & Remuneration Committee (“NRC”) and the Board of Directors, approval of the Members of the Company be and is hereby accorded, for payment of remuneration, to Mr. Virendra Nath Mishra (DIN: 07815490) Whole Time Director of the Company (*appointed at the 14th Annual General Meeting of the Company held on May 15, 2021 for a tenure of 5 years w.e.f. April 1, 2021 and approval of remuneration under Schedule V for a period of three years w.e.f April 1, 2021 till March*

*31, 2024) on the terms and conditions approved by the Board as set out in the Explanatory Statement, during the remaining period i.e from April 1, 2024 till March 31, 2026, of his present tenure, and that such remuneration shall not exceed 5% (five percent) per annum of the net profits of Company calculated as per Section 198 of the Act , being the limit of remuneration specified to any one Managing Director or Whole Time Director or Manager under Section 197 of the Act, and if there are more than one such Director overall remuneration shall not exceed ten per cent. of the net profits to all such Directors taken together;*

**RESOLVED FURTHER THAT** so long as Mr. Virendra Nath Mishra functions as the Whole Time Director of the Company, and draws the remuneration as mentioned above, he will not be entitled to any fees for attending the meetings of the Board of Directors or any Committee thereof.

**RESOLVED FURTHER THAT** the tenure of Mr. Virendra Nath Mishra, Whole Time Director of the Company for a period of five years w.e.f. April 1, 2021 till March 31, 2026, as appointed by the members at the 14th Annual General Meeting held on May 15, 2021, shall remain unchanged and all other terms and conditions of appointment of Mr. Virendra Nath Mishra, as approved earlier by the members at the 14th Annual General Meeting and which are not dealt with in this resolution, shall remain unaltered.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the foregoing resolutions, the Board of Directors (which term shall be deemed to include any Committee of the Board authorized in the said behalf) be and is hereby authorised to vary and / or revise the remuneration of Mr. Virendra Nath Mishra within limits permissible under the Companies Act 2013, and to do all such acts, deeds and things, as it may in its absolute discretion deem necessary, proper or desirable, and to settle any question, difficulty or doubt that may arise in respect of aforesaid without being required to seek any further consent or approval of the Members of Company, or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

By order of the Board of Directors  
**AMI ORGANICS LIMITED**

Sd/-

Date : August 25, 2023  
Place: Surat

**Ekta Kumari Srivastava**  
Company Secretary

**Registered Office :**

Plot No. 440/4, 5 & 6, Road No. 82/A , GIDC, Sachin  
Surat -394230 Gujarat, INDIA  
CIN : L24100GJ2007PLC051093  
Tel : + 91 7573015366  
Email : [investorinfo@amiorganics.com](mailto:investorinfo@amiorganics.com)  
Website : [www.amiorganics.com](http://www.amiorganics.com)

**NOTES :**

1. An Explanatory Statement setting out the material facts pursuant to Section 102(1) of the Companies Act, 2013 and Secretarial Standard – 2 on General Meetings issued by the Institute of Company Secretaries of India (“SS- 2”), relating to Special Businesses as set out under Item Numbers 4 to 8, to be transacted at the Sixteenth Annual General Meeting (“AGM”) of the Company and forms part of this Notice convening the 16th AGM of the Company (“the Notice”). The said Statement also contain the recommendation of the Board of Directors of the Company in terms of Regulation 17(11) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR Regulations”).
2. Pursuant to General Circulars No. 14/2020 dated April 8, 2020, No. 17/2020 dated April 13, 2020, No.20/2020 dated May 5, 2020, No. 02/2021 dated January 13, 2021, No. 21/2021 dated December 14, 2021, No. 2/2022 dated May 5, 2022 and No. 10/2022 dated December 28, 2022 issued by the Ministry of Corporate Affairs (collectively referred to as ‘MCA Circulars’), the Company is convening the 16th 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 and January 5, 2023 (SEBI Circulars) and other applicable circulars issued in this regard, have provided relaxations from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations)
3. In terms of the MCA Circulars, physical attendance of members has been dispensed with and therefore, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by members under Section 105 of the Act will not be available for the 16th AGM. However, pursuant to Section 112 and Section 113 of the Act, representatives of the members may be appointed for the purpose of voting through remote e-Voting, for participation in the AGM through VC/OAVM facility and e-Voting during the 16th AGM.
4. In terms of the MCA Circulars and relevant circulars issued by the Securities and Exchange Board of India, the Notice of the 16th AGM and Annual Report for the financial year ended March 31, 2023 is being sent only through electronic mode to those Members whose email addresses are registered with the Registrar and share Transfer Agent (R&TA) / Depositories). Members may note that the Notice and Annual Report 2022-23 will also be available on the Company’s website [www.amiorganics.com](http://www.amiorganics.com) and websites of the Stock Exchanges, i.e., BSE India Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. The AGM Notice is also available on the e-voting website of Link Intime India Private Limited (“Link Intime”) (agency for providing the Remote e-Voting facility) i.e. <https://instavote.linkintime.co.in>
5. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), SS-2 issued by the ICSI and Regulation 44 of Listing Regulations read with MCA Circulars, the Company is providing remote e-Voting facility to its members in respect of the business to be transacted at the 16th AGM and facility for those members participating in the 16th AGM to cast vote through e-Voting system. For this purpose, Linkin Time India Private Limited (LIIPL) shall provide facility for voting through remote e-Voting, for participation through VC/ OAVM facility.
6. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM and /or for E Voting on the resolutions proposed. The said Resolution/ Authorization for evoting shall be sent to the Scrutinizer by email through its registered email address to [kashyap.cs@gmail.com](mailto:kashyap.cs@gmail.com) with a copy marked to [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in)
7. Members may join the 16th AGM through VC/ OAVM facility by following the procedure as mentioned hereinafter, which shall be kept open for the members from 11:15 A.M. IST i.e. 15 minutes before the time scheduled to start the 16th AGM and the Company may close the window for joining the VC/OAVM facility 30 minutes after the scheduled time to start the 16th AGM.
8. Members may note that the VC/ OAVM facility provided by LIIPL, allows participation of at least one thousand members on a first-come-first-served basis. The large members (i.e. members holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc. can attend the 16th AGM without any restriction on account of first-come-first-served basis.
9. Attendance of the members participating in the 16th AGM through VC/ OAVM facility shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
10. The details of the directors seeking appointment/ reappointment as required by Regulation 36(3) of SEBI LODR Regulations and Secretarial Standards-2 issued by the Institute of Company Secretaries of India and notified by Central Government are annexed hereto. The Board of Directors recommend all the appointments/ reappointments/ remuneration as proposed. The documents referred to in Explanatory Statement will be available for inspection at the Registered office of the Company during business hours. Members seeking to inspect the same can send an email to [investorinfo@amiorganics.com](mailto:investorinfo@amiorganics.com)
11. The Company has appointed M/s. Linkin Time India Private Limited as the Registrars and Transfer Agents (R&TA ) for investor services relating to shares of company.

## 12. Important dates for Members:

**Book Closure Date:** The Register of Members and Share Transfer Books in respect of the Equity Shares of the Company shall remain closed from Tuesday, September 19, 2023 to Monday, September 25, 2023 (both days inclusive) for the purpose of AGM.

**Cut-Off Date:** The Cut-Off Date for the purpose of determining the Members eligible for participation in remote e-Voting and voting at the AGM through e-Voting system is Monday, September 18, 2023. A person who is not a Member as on the Cut-Off Date should treat this Notice of AGM for information purpose only. The voting rights of Members shall be in proportion to their shareholding in the paid-up equity share capital of the Company as on the Cut-Off Date, as aforesaid.

**Remote e-Voting Period** commences on Friday, September 22, 2022 from 9:00 A.M. (IST) and ends on Sunday, September 24, 2023 at 5:00 P.M. (IST). Remote e-Voting will be disabled thereafter.

**E-Voting Facility at the AGM** will also be provided on the date of the AGM i.e., on Monday, September 25 2023 to eligible Members who have not cast their votes through

remote e-Voting and who attends the AGM through VC/ OAVM facility.

13. General instructions for accessing and participating in the 16th AGM through VC/ OAVM facility and voting through electronic means including remote e-Voting are as under:

### 1. Instructions for Remote e-voting:

- The remote e-Voting period will commence from Friday, September 22, 2023 at 09:00 A.M. IST and end on Sunday, September 24, 2023 at 5:00 P.M. IST. During this period, members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e., September 18, 2023, may cast their vote electronically. The voting right of members shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- A person who is not a member as on the cut-off date should treat this Notice of the 16th AGM for information purpose only.
- The details of the process and manner for remote e-Voting are explained herein below:

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<p>a. Existing IDeAS user can visit the e-Services website of NSDL viz... <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a personal computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be re-directed to “InstaVote” website for casting your vote during the remote e-Voting period.</p> <p>b. If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> Select “Register Online for IDeAS Portal” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>c. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a personal computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be redirected to “InstaVote” website for casting your vote during the remote e-Voting period.</p>

Type of shareholders	Login Method								
Individual Shareholders holding securities in demat mode with CDSL	<p>a. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. The option will be made available to reach e-Voting page without any further authentication. The users to login Easi / Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then use your existing my easi username &amp; password.</p> <p>b. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by the company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider i.e. LINKINTIME for casting your vote during the remote e-Voting period. Additionally, there are also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</p> <p>c. If the user is not registered for Easi/Easiest, the option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option</p> <p>d. Alternatively, the user can directly access the e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, the user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>								
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on the company name or e-Voting service provider name i.e. LinkIntime and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.								
Login method for Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode is given below	<p>Individual Shareholders of the company, holding shares in physical form / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register for e-Voting facility of Link Intime as under:</p> <ol style="list-style-type: none"> <li>1. Open the internet browser and launch the URL: <a href="https://instavote.linkintime.co.in">https://instavote.linkintime.co.in</a> Click on “<b>Sign Up</b>” under ‘<b>SHARE HOLDER</b>’ tab and register with your following details: -</li> </ol> <p><b>A. USER ID :</b> Enter your User ID details as given below:</p> <table border="1"> <tbody> <tr> <td>Manner of Holding Shares</td> <td>User ID</td> </tr> <tr> <td>For members who hold shares in demat account with CDSL</td> <td>16 digit Beneficiary ID</td> </tr> <tr> <td>For members who hold shares in demat account with NSDL</td> <td>8 Character DP ID followed by 8 Digit Client ID</td> </tr> <tr> <td>For members who hold shares in physical form</td> <td>Event No. + Folio number registered with the Company</td> </tr> </tbody> </table> <p><b>B. PAN:</b> Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.</p> <p><b>C. DOB/DOI :</b> Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)</p>	Manner of Holding Shares	User ID	For members who hold shares in demat account with CDSL	16 digit Beneficiary ID	For members who hold shares in demat account with NSDL	8 Character DP ID followed by 8 Digit Client ID	For members who hold shares in physical form	Event No. + Folio number registered with the Company
Manner of Holding Shares	User ID								
For members who hold shares in demat account with CDSL	16 digit Beneficiary ID								
For members who hold shares in demat account with NSDL	8 Character DP ID followed by 8 Digit Client ID								
For members who hold shares in physical form	Event No. + Folio number registered with the Company								

Type of shareholders	Login Method
	<p>D. <b>Bank Account Number:</b> Enter your Bank Account Number (last four digits), as recorded with your DP/Company</p> <p><i>*Shareholders holding shares in <b>physical form</b> but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above</i></p> <p><i>*Shareholders holding shares in <b>NSDL form</b>, shall provide 'D' above Shareholders holding shares in <b>CDSL form</b>, shall provide 'C' or 'D', above.</i></p> <ul style="list-style-type: none"> <li>Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$&amp;*), at least one numeral, at least one alphabet and at least one capital letter).</li> <li>Click "confirm" (Your password is now generated).</li> </ul> <p>2. Click on 'Login' under '<b>SHARE HOLDER</b>' tab.</p> <p>Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on '<b>Submit</b>'</p>
Cast your vote electronically	<p>1. After successful login, you will be able to see the notification for e-voting. Select '<b>View</b>' icon.</p> <p>2. E-voting page will appear.</p> <p>3. Refer the Resolution description and cast your vote by selecting your desired option '<b>Favour / Against</b>' (If you wish to view the entire Resolution details, click on the '<b>View Resolution</b>' file link).</p> <p>4. After selecting the desired option i.e. Favour / Against, click on '<b>Submit</b>'. A confirmation box will be displayed. If you wish to confirm your vote, click on '<b>Yes</b>', else to change your vote, click on '<b>No</b>' and accordingly modify your vote.</p>

#### Guidelines for Institutional shareholders:

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as '**Custodian / Mutual Fund / Corporate Body**'. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the '**Custodian / Mutual Fund / Corporate Body**' login for the Scrutinizer to verify the same.

#### Individual Shareholders holding securities in Physical mode e-voting service Provider is LINKINTIME has forgotten the password:

If an Individual Shareholders holding securities in Physical mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: <https://instavote.linkintime.co.in>

- o Click on '**Login**' under '**SHARE HOLDER**' tab and further Click '**forgot password?**'
- o Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/ her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain minimum 8 characters, at least one special character (@!#\$&\*), at least one numeral, at least one alphabet and at least one capital letter.

User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company

#### Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:

Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.

During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular “Event”.

**Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders:**

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a

request at [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) or contact on: - Tel: 022 – 4918 6000.

**Helpdesk for Individual Shareholders holding securities in demat mode:**

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e. NSDL and CDSL.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at : 022 – 4886 7000 and 022 – 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33

**Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders & evoting service Provider is LINKINTIME**

In case shareholders/ members holding securities in physical mode/ Institutional shareholders have any queries regarding e-voting, they may refer the Frequently Asked Questions ('FAQs') and InstaVote e-Voting manual available at <https://instavote.linkintime.co.in>, under Help section or send an email to [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) or contact on: - Tel: 022 –4918 6000

**Process for those Members whose e-mail IDs are not registered with the Depositories /Company for procuring User ID and Password and registration of e-mail IDs for e-voting for the resolutions set out in this notice:**

- In case shares are held in physical mode please provide folio no., name of Member, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), Aadhar (self-attested scanned copy of Aadhar card) by e-mail to [investorinfo@amiorganics.com](mailto:investorinfo@amiorganics.com) or rnt. [helpdesk@linkintime.co.in](mailto:helpdesk@linkintime.co.in)
- In case shares are held in demat mode, please provide DP ID & Client ID (16-digit DP ID & Client ID or 16-digit beneficiary ID), name, client master or copy of consolidated account statement, PAN (self-attested scanned copy of PAN card),

Aadhar (self-attested scanned copy of Aadhar card) to [investorinfo@amiorganics.com](mailto:investorinfo@amiorganics.com). If you are an individual member holding securities in demat mode, you are requested to refer to the login method explained above i.e., login method for e-voting for individual Member/shareholder holding securities in demat mode.

- Alternatively, members may send a request to [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) for procuring User ID and Password for e-voting by providing above mentioned documents.

In terms of SEBI circular dated December 9, 2020 on e-voting facility provided by listed companies, individual Members holding securities in demat mode are allowed to vote through their demat account maintained with depositories and depository participants. Members are required to update their mobile number and e-mail ID correctly in their demat account in order to access e-voting facility

**Process and manner for attending the Annual General Meeting through InstaMeet:**

Shareholders also have an option to click on the URL provided to attend the meeting. Please read the instructions carefully and participate in the meeting. For any support, shareholders may also call the RTA on the dedicated number provided in the instructions.

1. Open the internet browser and launch the URL: <https://instameet.linkintime.co.in> & Click on "Login".

DP ID / Client ID or Beneficiary ID or Folio No	Enter your 16 digit DP ID / Client ID or Beneficiary ID or Folio Number registered with the Company
PAN	Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable)
Mobile No	Enter your mobile number
Email ID	Enter your email id, as recorded with your DP/Company.

2. Click "Go to Meeting" (You are now registered for InstaMeet and your attendance is marked for the meeting).

**Instructions for Shareholders/ Members to Speak during the Annual General Meeting through InstaMeet:**

- Members can submit questions in advance with regard to the financial statements or any other matter to be placed at the 16th AGM, from their registered email address, mentioning their name, DP ID and Client ID number/ folio number and mobile number, to reach the Company's email address at [investorinfo@amiorganics.com](mailto:investorinfo@amiorganics.com) at least 48 hours in advance before the start of the meeting. Such questions by the members shall be taken up during the meeting and replied by the Chairman suitably.
- Members, who would like to express their view/ ask questions during the 16th AGM with regard to the financial statements or any other matter to be placed at the 16th AGM, need to pre-register themselves as a speaker by sending a request from their registered email address mentioning their name, DP ID and Client ID number/ folio number and mobile number, to reach the Company's email address at [investorinfo@amiorganics.com](mailto:investorinfo@amiorganics.com) at least 48 hours in advance before the start of the meeting. Only those members who have pre-registered themselves as a speaker will be allowed to express their view/ ask questions during the 16th AGM, depending upon the availability of time.
- When a pre-registered speaker is invited to speak at the meeting, but he/ she does not respond, the next speaker will be invited to speak. Accordingly, all speakers are requested to get connected to a device with a video/ camera along with good internet speed.
- The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, to ensure the smooth conduct of the 16th AGM.

Institutional Investors who are members of the Company, are encouraged to attend and vote in the 16th AGM through VC/ OAVM facility.

**Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.**

**Instructions for Shareholders / Members to Vote during the Annual General Meeting through InstaMeet:**

Once the electronic voting is activated by the scrutineer during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting "Cast your vote"
2. Enter your 16-digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on 'Submit'.
3. After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.
4. Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.
5. After selecting the appropriate option i.e. Favour/ Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, to ensure the smooth conduct of the 16th AGM.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/ Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to [instameet@linkintime.co.in](mailto:instameet@linkintime.co.in) or contact on: - Tel: 022-49186175

#### **Other Guidelines for Members :**

- a. The voting rights of members shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date of September 18, 2023.
- b. Any person, who acquires shares of the Company and becomes member of the Company after the Company sends the Notice of the 16th AGM by email and holds shares as on the cut-off date i.e., September 18, 2023, may obtain the User ID and password by sending a request to the email address at [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) However, if you are already registered with NSDL/CDSL for remote e-Voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/ Password?" or "Physical User Reset Password?" option available on [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in)
- c. During the 16th AGM, the Chairman shall, after response to the questions raised by the members in advance or as a speaker at the 16th AGM, formally propose to the members participating through VC/ OAVM facility to vote on the resolutions as set out in the Notice of the 16th AGM and announce the start of the casting of vote through the e-Voting system. After the members participating through VC/ OAVM facility, eligible and interested to cast votes, have cast the votes, the e-Voting will be closed with the formal announcement of closure of the 16th AGM.
- d. Mr. Kashyap Shah of M/s. Kashyap Shah & Co. has been appointed as the Scrutinizer to scrutinize the remote e-Voting process and casting of vote through the e-Voting system during the meeting in a fair and transparent manner.
- e. The Scrutinizer shall after the conclusion of e-Voting at the 16th AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-Voting and shall make a consolidated scrutinizer's report of the total votes cast in favour or against, invalid votes, if any, and whether the resolution has been carried or not, and such Report shall then be sent to the Chairman or a person authorized by him, who shall then countersign and declare the result of the voting forthwith.
- f. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company at [www.amiorganics.com](http://www.amiorganics.com) and on the website of LIIPL at <https://instavote.linkintime.co.in/> immediately after the declaration of results by the Chairman or a person authorized by him. The results shall also be immediately forwarded to the BSE Limited and National Stock Exchange of India Limited.
- 14. Electronic copy of the Annual Report for the financial year ended March 31, 2023 along with the Notice of the 16th AGM of the Company, inter alia indicating the process and manner of e-voting is being sent to all the members whose email addresses are registered with the Company/ Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same.
- 15. Pursuant to the MCA's Circular, the Company has earlier published newspaper advertisements urging its Members (who have not registered their e-mail IDs) to register their e-mail IDs at the earliest. However, Members who have still not registered their e-mail IDs, are requested to do so at the earliest, in the following manner:
  - a. Shareholders whose email IDs are not registered, are requested to avail the facility provided by Link Intime to register their email address along with mobile number and bank account details at the web portal [https://linkintime.co.in/emailreg/email\\_register.html](https://linkintime.co.in/emailreg/email_register.html) by following the instructions mentioned therein.
  - b. Members holding shares in dematerialised mode are requested to register/ update their e-mail address with the relevant Depository Participant.
- 16. Final Dividend on the Equity Share as recommended by the Board of Directors on the equity share capital of the Company i.e. Rs. 3 per Equity Share of face value of 10/- each for the FY ended 31st March 2023, if declared at the meeting, will be made payable within 30 days of declaration to those members whose names appear as beneficial owners as on cut off date, as per lists to be furnished by the depositories viz. National Securities Depository Limited and Central Depository Services (India) Limited.

17. Members holding shares in electronic form are hereby informed that bank particulars registered with their respective DPs, with whom they maintain their demat accounts, will be used by the Company for payment of dividend.
18. Members who hold shares in electronic form and want to change/correct the bank account details should send the same immediately to their concerned DP and not to the Company. Members are also requested to give the MICR Code of their bank to their DPs. The Company will not entertain any direct request from such Members for change of address, transposition of names, deletion of name of deceased joint holder and change in the bank account details. The said details will be considered, as will be furnished by NSDL/CDSL to the Company.
19. Further, to avoid the incidence of fraudulent encashment of dividend warrants, Members are requested to intimate the Company or the R&TA, under the signature of the Sole/ First Joint Holder, the following information, so that the bank account number and name and address of the bank can be printed on the dividend warrants
  1. Name of Sole/ First Joint holder and Folio number.
  2. Particulars of bank account, viz.
    - i) Name of the bank
    - ii) Name of branch
    - iii) Complete address of bank with Pin code
    - iv) Account type, whether saving (SB) or Current Account (CA)
    - v) Bank Account Number
20. In case the Company is unable to pay the dividend to any Shareholder by the electronic mode, due to non-availability of the details of the bank account, the Company shall dispatch the dividend warrants / pay order to such Shareholder by post.
21. As per the Income Tax Act, 1961 ("IT Act"), dividends paid or distributed by the Company after April 01, 2020, shall be taxable in the hands of the shareholders and the Company shall be required to deduct tax at source (TDS) at the prescribed rates from the dividend to be paid to the shareholders, subject to approval of shareholders in the ensuing AGM. For the prescribed rates for various categories, please refer to the Finance Act, 2020 and the amendments thereof.
22. A separate email communication shall be sent to the shareholders, informing the relevant procedure to be adopted by them/documents to be submitted for availing the applicable tax rate. The said communication and draft of the exemption forms and other documents will be available on the Company's website at [www.amiorganics.com](http://www.amiorganics.com). The resident and nonresident shareholders should upload the scanned copies of the requisite documents at <https://web.linkintime.co.in/formsreg/submit-form-15g-15h.html> on or before September 18, 2023 to enable the Company to determine the appropriate TDS/ withholding tax rate, as may be applicable.
23. Documents referred to in the accompanying Notice of the 16th AGM and the Explanatory Statement, the Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Act shall be made available at the commencement of the meeting and shall remain open and accessible to the members during the continuance of the 16th AGM. During the 16th AGM, Members may access the scanned copy of these documents, upon Log-in to LIIPL e-Voting system at <https://instavote.linkintime.co.in/>.

## Explanatory Statement Pursuant to Section 102 of the Companies Act, 2013:

### Special Business: Item No. 4

As per the provision of Section 148 of the Companies Act, 2013 and as per Companies (Audit & Auditors) Rules, 2014, the proposal for Appointment of Cost Auditor was considered by the Board in its meeting held on May 13, 2023. The Board considered and approved the proposal to appoint M/s Chirag Vallabhbhai Vekariya & Co., as Cost Auditor of the Company for the FY. 2023-24 at the remuneration of Rs. 2,00,000/- excluding out of pocket expenses plus applicable taxes. The resolution is being placed before the Members of the Company for the approval and ratification of the remuneration payable to the Cost Auditor.

None of the Directors, relative of Directors or Key Managerial Personnel of the Company are in any way concerned or interested in the resolution proposed under item no. 4.

Accordingly the Board recommends the resolution set forth in Item No. 4 of the notice for approval of the members as Ordinary Resolution.

### Special Business: Item No. 5

Based on recommendation of Audit Committee, the Board of Directors of the Company proposes the re-appointment of M/s Maheshwari & Co. as the Statutory Auditors of the Company for second term of five consecutive years.

M/s. Maheshwari & Co., Chartered Accountants (ICAI Firm Registration Number: FRN 105834W), ("the Audit Firm"), were appointed as Statutory Auditors of the Company at the 11th Annual General Meeting ('AGM') held on May 26, 2018 to hold office for a period of five years from the conclusion of the 11th AGM till the conclusion of the 16th AGM of Company. The present term of the Statutory Auditors shall get completed on the conclusion of the ensuing 16th AGM of the Company scheduled to be held on September 25, 2023. M/s. Maheshwari & Co have confirmed that they are eligible for the proposed re-appointment under the Act, the Chartered Accountants Act, 1949 and the rules or regulations made thereunder. As confirmed to Audit Committee and stated in their report on financial statements, the Auditors have reported their independence from the Company and its subsidiary according to the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') and the ethical requirements relevant to audit.

The Audit committee and Board of Directors have evaluated the proposal of re-appointment of Statutory Auditors and after considering various factors such as independence, industry experience, technical skills, geographical presence, audit team, quality of reports among others, it was found that M/s. Maheshwari & Co. is suited and eligible for reappointment. Based on the recommendations of the Audit Committee and the Board of Directors, it is hereby proposed to re-appoint M/s. Maheshwari & Co, Chartered Accountants, having registration No. FRN 105834W, as the Statutory Auditors of the Company for the second and final term of five consecutive years, who

shall hold office from the conclusion of the 16th AGM till the conclusion of the 21st AGM of the Company. The Board of Directors have approved a remuneration of Rs. 15 (Fifteen) Lakhs for conducting the audit of financial results and financial statements of Company for the financial year 2022-23, excluding applicable taxes and reimbursement of out-of-pocket expenses on actuals. The remuneration proposed to be paid to the Statutory Auditors during their second and final term would be in line with the existing remuneration and shall be commensurate with the services to be rendered by them during the said tenure. The Board of Directors in consultation with the Audit Committee may during the tenure of appointment, alter and vary the terms and conditions of appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the Statutory Auditors.

### Brief Profile of Statutory Auditors:

M/s. Maheshwari & Co., duly established under the Indian Chartered Accountants Act 1949, is a multi -disciplinary audit firm catering to various clients in diverse sectors, providing Audit and allied services since 1969. It has Head Office in Mumbai and has 5 branch offices in Surat, Ahmedabad, Jaipur, Indore, Hyderabad and New Delhi. The Audit Firm is registered with the Institute of Chartered Accountants of India (ICAI) and holds Peer Review certificate issued by ICAI. M/s. Maheshwari & Co. have given their consent for their re-appointment as Statutory Auditors of the Company and have confirmed that their re-appointment, if made, will be in accordance with the conditions prescribed under Sections 139 and 141 of the Companies Act, 2013 ('the Act') and the rules made thereunder. M/s. Maheshwari & Co. have confirmed that they are eligible for the proposed re-appointment under the Act, the Chartered Accountants Act, 1949 and the rules or regulations made thereunder.

Accordingly, the Board recommends the resolution set out at Item No. 5 of the Notice for approval by the Members by way of an Ordinary Resolution. None of the Directors or Key Managerial Personnel of the Company or their relatives are interested or concerned, financially or otherwise, in the resolution.

### Item No. 6, 7 & 8

Pursuant to Section 197 of the Companies Act, 2013 (the Act), the total managerial remuneration payable by a public company, to its Directors, including Managing Director and Whole Time Director, and its Manager in respect of any financial year, shall not exceed 11% of net profits of that Company for that financial year computed as per provisions of Section 198 of the Act. However, the total managerial remuneration to one Managing Director / Whole Time Director should not exceed 5% of the net profits of the company and to all such executive Directors shall not exceed 10% of the net profits of the Company for that financial year.

Based on the nomination & remuneration policy and recommendation of Nomination and Remuneration

Committee and the Board, the members of Company at its 14th Annual General Meeting held on May 15, 2021, reappointed Mr. Nareshkumar R. Patel (DIN: 00906232) as the Executive Chairman and Managing Director of Company and Mr. Chetankumar C. Vaghasia, (DIN 01375540 ) as Whole Time Director for a period of 5 (five) years effective from May 1, 2021 till April 30, 2026 and Mr. Virendra Nath Mishra (DIN 07815490) as Whole Time Director for a period of 5 (five) years effective from April 1, 2021 till March 31, 2026 and approved the payment of remuneration to them vide Special Resolution No. 4, 5 & 6 respectively passed at the 14th AGM. However, since the Company's profit were inadequate for managerial remuneration, the remuneration of Managing Director and Whole Time Directors were approved in accordance with the provisions of Schedule V of the Companies Act, 2013, for a period of three years, starting from May 1, 2021 till April 30, 2024 for Mr. Nareshkumar R. Patel and Mr. Chetankumar C. Vaghasia; and from April 1, 2021 till March 31, 2024 for Mr. Virendra Nath Mishra.

Therefore, it is now proposed to seek members' approval for the remuneration payable to Mr. Nareshkumar R. Patel, Managing Director, and Mr. Chetankumar C. Vaghasia, Whole Time Director for the remaining tenure of two years starting from May 1, 2024 till the end of their current tenure i.e. April 30, 2026 and for Mr. Virendra Nath Mishra, Whole Time Director, for a period of another two years starting from April 1, 2024 till the end of his current tenure i.e. March 31, 2026, in terms of the applicable provisions of the Act. Provided however that the overall managerial remuneration payable to all the Executive Directors shall remain within the limit of 10% of net profits prescribed under Section 197 of the Companies Act and remuneration payable to any one of the Managing Director / Whole Time Director shall not exceed the limit of 5% of the net profits calculated under section 167 of the Act.

Further, pursuant to the provision of Regulation 17(6)(e) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the fees or compensation payable to Executive Directors who are promoters or members of the promoter group, shall be subject to the approval of the shareholders by special resolution in a general meeting, if the annual remuneration payable to such Executive Director exceeds Rs. 5 Crore or 2.5% of the net profits of the Company, whichever is higher; or where there is more than one such Director, the aggregate annual remuneration to such directors exceeds 5% of the net profits of the Company. The proposed special resolutions, being approved in respect of resolutions set out at Item No. 6,7 & 8 of this Notice would also be in compliance with the requirements of SEBI Listing Regulation.

The Company has not committed any default in repayment of any of its debt (including public deposits) or debentures or

interest payable thereon for a continuous period of thirty days in the preceding financial year. In case of your Company, the overall managerial remuneration paid /payable to all Executive Directors is within the statutory limits of 10% of Net Profit of the Company and remuneration payable to Managing Director and Whole Time Directors individually is also within the limits of 5% of Net Profit of the Company during the financial year ending FY 2022-23. Company is hopeful that the aforementioned managerial remuneration shall also remain within the limits prescribed under section 197 of the Companies Act, 2013 for the remaining tenure of the managerial persons.

The Managing Director Mr. Nareshkumar R. Patel and his relatives are interested or concerned, financially or otherwise in the Special Resolutions set out at Item No. 6 of the accompanying Notice. Mr. Chetankumar C. Vaghasia, Whole Time Director and his relatives are interested or concerned, financially or otherwise in the Special Resolutions set out at item No 7 of the accompanying notice and Mr. Virendra Nath Mishra, Whole Time Director and his relatives are interested or concerned, financially or otherwise in the Special Resolutions set out at item No 8 of the accompanying Notice. Except above, no other Key Managerial Personnel of the Company including their relatives are interested or concerned, financially or otherwise, in the Special Resolutions set out at Item Nos. 6, 7 & 8 of the accompanying Notice.

**i. Information about the Directors:**

**Background Details:**

Mr. Nareshkumar R. Patel and Mr. Chetankumar C. Vaghasia are founder promoters of the Company since inception. They have been associated with the management of the Company since inception & have been holding the position of Managing Director and Whole Time Director since long. Both of them have vast experience in chemical and bulk drugs industries. Mr. Virendra Nath Mishra has also been associated with the Company since incorporation. He has been Production head and later designated as Director -Operations and Whole Time Director of the Company.

ii. **Past Remuneration:** During the FY 2022-23 Mr. Nareshkumar R. Patel has been paid a gross remuneration aggregating to Rs. 46.86 million, Mr. Chetankumar C. Vaghasia has been paid Rs. 46.2 million and Mr. Virendra Nath Mishra has been paid a remuneration aggregating to Rs. 13.2 million (exclusive of TDS deduction) as per the below salary structure. Mr. Nareshkumar R. Patel, Mr. Chetankumar C. Vaghasia and Mr. Virendra Nath Mishra being a Director in the Wholly owned subsidiary Company, Ami Organics Electrolytes Private Limited have not derived any remuneration from the wholly owned subsidiary company.

**Present salary structure:**

Sr. No.	Description	Nareshkumar Patel Monthly (Rs.)	Chetankumar Vaghasia Monthly (Rs.)	Virendra Nath Mishra Monthly (Rs.)
1	Basic	21,47,750	21,17,500	6,05,000
2	House Rent Allowance	6,44,325	6,35,250	1,81,500
3	Reimbursement of expenditure like Vehicle, Fuel & Maintenance, Books, Telephone /Internet etc.	29,500	29,500	29,500
4	Other Personal Allowances	10,83,425	10,67,750	2,11,400
5	PF Contribution	-	-	72600
<b>Grand Total</b>		<b>39,05,000</b>	<b>38,50,000</b>	<b>11,00,000</b>

**iv. Remuneration Proposed –**

**Mr. Nareshkumar R. Patel** – The remuneration proposed to Mr. Nareshkumar R. Patel is as under :

- (a) By way of Salary, perquisites and allowances, aggregating to Rs. 41,00,000/- (Forty one lakhs only) per month with authority to the Board of Directors to revise the salary from time to time.
- (b) Annual Performance Bonus or Incentives upon availability of net profits based upon the audited / unaudited financial statements of the Company during the year or half year. and as may be decided by the Board from time to time, upon recommendation by Nomination & Remuneration Committee on an yearly / half yearly review of the performance appraisal of Mr. Nareshkumar R. Patel, subject to a ceiling of one month of gross salary last drawn.

Provided however that the total remuneration payable to Mr. Nareshkumar R. Patel including salary, perquisites, allowances, performance bonus / incentives etc. shall be subject to the overall limit of 5% individually and 10 % of net profits of the Company, as per Section 197 of the Act, for all Managing Director and Whole Time Directors taken together.

- (c) In addition to above mentioned remuneration, Mr. Nareshkumar R. Patel shall be entitled to the following perquisites and allowances, which shall not be included in computation of said ceiling limit for the remuneration:
  - (i) Company's contribution to provident Fund and Superannuation Fund or Annuity Fund to the extent these either singly or together are not taxable under the Income-Tax Act, 1961.
  - (ii) Gratuity payable as per the rules of the Company.
  - (iii) Leave encashment at the end of the tenure.
  - (iv) The provision for use of Company's car with driver for official use.

- (v) Reimbursement of all reasonable expenses including travelling, business & entertainment expenses incurred bonafide in connection with business of the Company.

**Mr. Chetankumar C. Vaghasia** – The remuneration proposed to Mr. Chetankumar C. Vaghasia is under

- (a) By way of Salary, perquisites and allowances, aggregating to Rs. 40,43,000 (Forty Lakhs and forty three thousand only) per month with authority to the Board of Directors to revise the salary from time to time.
- (b) Annual Performance Bonus or Incentives upon availability of net profits based upon the audited / unaudited financial statements of the Company during the year or half year. and as may be decided by the Board from time to time, upon recommendation by Nomination & Remuneration Committee on an yearly / half yearly review of the performance appraisal of Mr. Chetankumar C. Vaghasia, subject to a ceiling of one month of gross salary last drawn.

Provided however that the total remuneration payable to Mr. Chetankumar C. Vaghasia including salary, perquisites, allowances, performance bonus / incentives etc. shall be subject to the overall limit of 5% individually and 10 % of net profits of the Company, as per Section 197 of the Act, for all Managing Director and Whole Time Directors taken together.

- (c) In addition to above mentioned remuneration, Mr. Chetankumar C. Vaghasia shall be entitled to the following perquisites and allowances, which shall not be included in computation of said ceiling limit for the remuneration:
  - (i) Company's contribution to provident Fund and Superannuation Fund or Annuity Fund to the extent these either singly or together are not taxable under the Income-Tax Act, 1961.
  - (ii) Gratuity payable as per the rules of the Company.
  - (iii) Leave encashment at the end of the tenure.

- (iv) The provision for use of Company's car with driver for official use.
- (v) Reimbursement of all reasonable expenses including travelling, business & entertainment expenses incurred bonafide in connection with business of the Company

**Mr. Virendra Nath Mishra** – The remuneration proposed to Mr. Virendra Nath Mishra is as under

(a) By way of Salary, perquisites and allowances aggregating to Rs. 11,55,000/- (Eleven Lakhs and fifty five thousand only) per month with authority to the Board of Directors to revise the salary from time to time.

(b) Annual Performance Bonus or Incentives upon availability of net profits based upon the audited / unaudited financial statements of the Company during the year or half year, and as may be decided by the Board from time to time, upon recommendation by Nomination & Remuneration Committee on a yearly / half yearly review of the performance appraisal of Mr. Virendra Nath Mishra subject to a ceiling of one month of salary last drawn.

Provided however that the total remuneration payable to Mr. Virendra Nath Mishra including salary, perquisites, allowances, performance bonus / incentives etc. shall be subject to the overall limit of 5% individually and 10 % of net profits of the Company, as per Section 197 of the Act, for all Managing Director and Whole Time Directors taken together.

(c) In addition to above mentioned remuneration, Mr. Virendra Nath Mishra shall be entitled to the following perquisites and allowances, which shall not be included in computation of said ceiling limit for the remuneration:

- (i) Company's contribution to provident Fund and Superannuation Fund or Annuity Fund to the extent these either singly or together are not taxable under the Income-Tax Act, 1961.
- (ii) Gratuity payable as per the rules of the Company.
- (iii) Leave encashment at the end of the tenure.
- (iv) The provision for use of Company's car with driver for official use.
- (v) Reimbursement of all reasonable expenses including travelling, business & entertainment expenses incurred bonafide in connection with business of the Company.

Accordingly, the Board recommends the Special Resolution as set out in Item 6, 7 & 8 for approval of the Members.

Mr. Nareshkumar R. Patel, Mr. Chetankumar C. Vaghisia and Mr. Virendra Nath Mishra are interested in the resolution set out at Item No. 6, 7 & 8 respectively. The relatives of Mr. Nareshkumar R. Patel, Mr. Chetankumar C. Vaghisia and Mr. Virendra Nath Mishra may be deemed to be interested in the resolution set out at Item No. 6, 7 & 8 respectively of the Notice, to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the aforementioned resolution.

## **ANNEXURE I**

## DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT / REGULARISATION / REMUNERATION AT THE 16TH AGM

Name of the Director	Mr Nareshkumar R. Patel	Mr. Chetankumar C. Vaghisia	Mr. Virendra Nath Mishra
DIN	00906232	01375540	07815490
Date of Birth and Age	September 20, 1974 Age 47 years	April 11, 1974 Age 47 years	January 11, 1971 Age 52 years
Date of Appointment	June 12, 2007	June 12, 2007	Associated with the Company since 2004 and as Director of Company since March 3, 2021.
Qualifications	Bachelor of Engineering (Chemical)	Diploma in Man-Made Textile Processing.	Master of Science (Chemistry)
Experience and Expertise	Mr. Nareshkumar R. Patel is the Promoter Director designated as Executive Chairman and Managing Director of Ami Organics Limited. He has been associated with the Company since its inception in 2004 and has extensive experience in the global generic pharma business. He is responsible for handling the Chemical Engineering Research & Development, Marketing, Secretarial & Legal, Finance and Product Implementation divisions of the Company. He has an experience of more than 21 years in the chemical & pharma industry. As a business planning & strategy specialist in Strategic Business	Mr. Chetankumar C. Vaghisia has around 21 years of experience in the Speciality Manufacturing of Textile Processing from the Mantra Education Institute, Surat. He has around 21 years of experience in the speciality chemicals manufacturing applications, in pharmaceutical & speciality chemicals. He holds Bachelor of Engineering (Chemical) from the Gujarat University.	Mr. Virendra Nath Mishra has vast experience of more than 29 years in the chemical industry. At present he handles the implementation of strategic business decisions like acquisitions, project planning, Inventory control, Cost Control, Pilot Plant, development of Company. He is instrumental in managing the day to day affairs of the Company.
Brief Resume	Mr. Nareshkumar R. Patel is the Executive Chairman & Managing Director of Ami Organics Ltd. He alongwith co promoters founded the company in 2004. Over the past 20 years, he has nurtured Ami Organics to emerge as one of the leading advanced intermediate manufacturing company in India, having applications, in pharmaceutical & speciality chemicals. He holds Bachelor of Engineering (Chemical) from the Gujarat University.	Mr. Chetankumar Vaghisia is a Whole-Time Director of the Company and has been associated with the Company since its incorporation. He holds a Diploma in Man-Made Textile Processing from the Mantra Education Institute, Surat. He has around 21 years of experience in the speciality chemicals manufacturing applications, in pharmaceutical & speciality chemicals. He holds Bachelor of Engineering (Chemical) from the Gujarat University.	Virendra Nath Mishra is the Whole-Time Director of the Company. He holds a Bachelor of Science degree from the Veer Bahadur Singh Purvanchal University, Jaunpur. He holds a Diploma in Man-Made Textile Processing from the Mantra Education Institute, Surat. He has around 21 years of experience in the speciality chemicals manufacturing applications, in pharmaceutical & speciality chemicals. He holds Bachelor of Engineering (Chemical) from the Gujarat University.

<b>Name of the Director</b>	<b>Mr Nareshkumar R. Patel</b>	<b>Mr. Chetankumar C. Vagharia</b>	<b>Mr. Virendra Nath Mishra</b>
Number of Board Meetings attended during the year	8 out of 8	7 out of 8	7 out of 8
List of Directorship of other Board	Ami Procure Private Limited Ami Organics Electrolytes Private Limited	Ami Procure Private Limited Ami Organics Electrolytes Private Limited	Ami Organics Electrolytes Private Limited
List of Membership / Chairmanship of Committees of other Board	<b>At Ami Organics Ltd.</b> Chairman – 1. IPO Committee 2. Risk Management Committee Member : 1. CSR Committee 2. Stakeholders Relationship Committee	<b>At Ami Organics Ltd.</b> Member of 1. Risk Management Committee 2. CSR Committee 3. Stakeholders Relationship Committee 4. IPO Committee	<b>At Ami Organics Ltd.</b> Member – IPO Committee
Listed entities from which the person has resigned in the past 3 years	NIL	NIL	NIL
Shareholding in Ami Organics Limited	40,03,710 Equity Shares	30,97,500 Equity Shares	3,30,000 Equity Shares
Relationship with other Directors, Manager and other KMP of the Company	Not related to any Directors, Manager or other KMP of the Company.	Not related to any Directors, Manager or other KMP of the Company.	Not related to any Directors, Manager or other KMP of the Company.
Terms and Conditions of re-appointment	NA	NA	Re appointment on rotation
Details of remuneration last drawn (FY 2022-23)	Rs. 46.8 Million during FY 2022-23	Rs. 46.2 Million during FY 2022-23	Rs 13.2 Million during FY 2022-23
Details of remuneration sought to be paid	Subject to the approval of the members at the ensuing AGM monthly remuneration to be paid is 4.1 Million	Subject to the approval of the members at the ensuing AGM monthly remuneration to be paid is 4.04 Million per month.	Subject to the approval of the members at the ensuing AGM monthly remuneration to be paid is 1.15 Million per month.
Justification for choosing the appointee for appointment as Independent Directors	NA	NA	NA

# Management Discussion and Analysis

## Global economy

The global economy has been reeling under the impact of several headwinds in FY23, including new COVID variants, Europe's food and energy crises and geopolitical conflicts, which could possibly lead to further economic turmoil. While the global economy demonstrated tentative signs of soft landing at the beginning of 2023, recent financial sector volatility and sticky inflation have dented the prospects for a sustained rebound. Risks are relatively skewed to the downside as debt levels remain high and geopolitical tensions intensify.

## Inflation

The global inflation is expected to decelerate from 8.7% in 2022 to 6.8% in 2023 and 5.2% in 2024 [Source: IMF World Economic Outlook, July 2023]. The downturn, however, is concentrated in advanced economies, especially the Eurozone and the United Kingdom. Moreover, the tightening of monetary policies by central banks across the globe is anticipated to contribute to an overall decline in global inflation.

## Demand and Supply Crisis

The growth rate of global trade volume is predicted to slow down from 5.1% in 2022 to 2.4% in 2023 due to reduced global demand and increasing trade barriers. However, the gradual decline in commodity prices and China's reopening its economy are expected to slightly boost global demand and current account balances. The lessons learned from COVID-19 and supply chain disruptions have led to better inventory management, resulting in an oversupply in 2023 due to weakened demand, replenished inventories, increased capital expenditure, and normalized shipping conditions.

## Financial Sector Turmoil

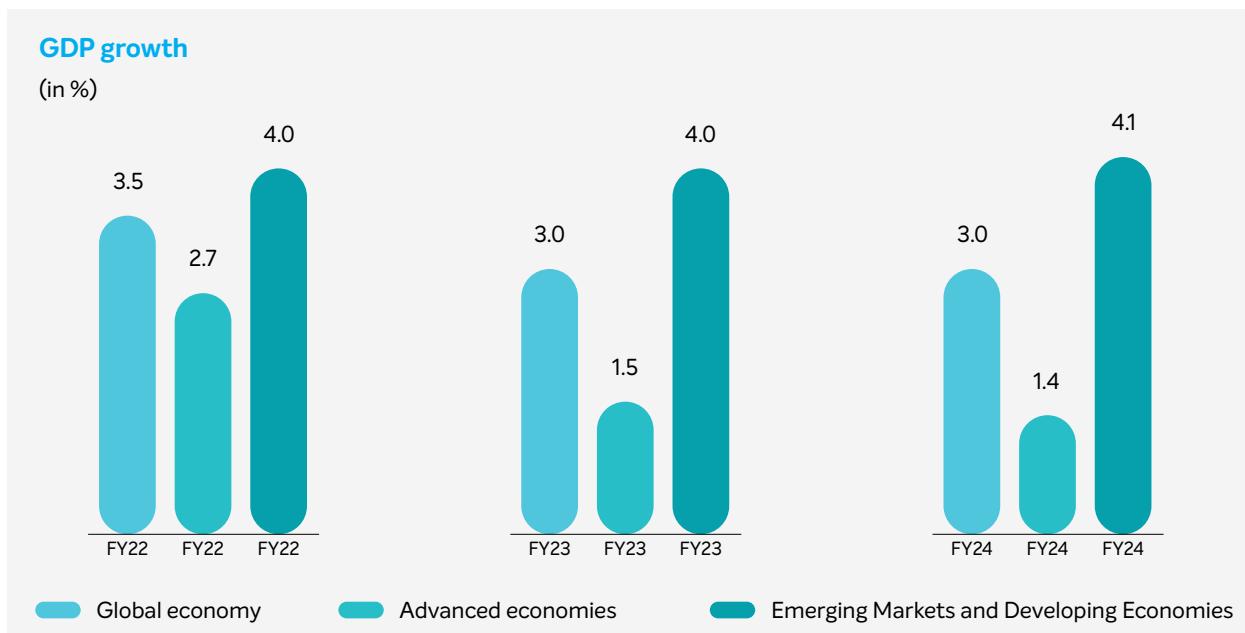
Central banks worldwide have implemented various tools to control persistent inflation, including raising interest rates to limit money circulation. However, this approach has highlighted the susceptibility of certain banking segments in the United States and other regions due to unrealized losses and reliance on uninsured or wholesale funding. These vulnerabilities could lead to future shocks that could negatively affect the global economy, making it essential for central banks to balance inflation control with financial system stability.

## Outlook

Although the inflation, US banking crisis, and other geopolitical concerns pose major threats to the global economy, there are promising signs of a slow but steady recovery. In many cases, emerging markets and developing economies such as India are powering ahead, with growth rates predicted to rise significantly this year<sup>1</sup>.

There are positive indicators that signify a gradual rebound from the pandemic-induced shocks and supply-chain constraints. The recent border reopening in China has helped ease supply chain disruptions. Additionally, emerging markets and developing economies (EMDEs) are projected to accelerate the global economy's growth in the years ahead.

**According to the IMF, India, along with China, is expected to contribute 50% of global growth in FY 2023.**



(Source- IMF World Economic Outlook, July 2023)

<sup>1</sup> <https://www.imf.org/en/Publications/WEO/Issues/2023/04/11/world-economic-outlook-april-2023>

## Indian economic review

Notwithstanding the intensifying geopolitical concerns, the Indian economy is estimated to clock a growth rate of 7.2% in FY23.<sup>2</sup> Lowering unemployment and a rise in net payroll additions under the EPFO signify a surge in employment in the corporate sector. The corporate sector's credit-to-GDP ratio is still below its historical trend. The corporate sector's debt level has also been crucial for sustaining macroeconomic stability. Consistent domestic demand, particularly in private consumption, an increase in gross fixed capital formation and the government's enhanced focus on capex have all contributed to this robust expansion.

FY23 is expected to bring a robust recovery in the services sector, while the agricultural sector is predicted to maintain its growth momentum. Inflation is anticipated to decrease due to base effects and a slowdown in demand, although there are potential risks from unfavourable weather conditions and increasing global oil prices. (Asian Development Bank Outlook April 2023)

March 2023 saw a decrease in consumer price pressures, as the CPI rose by 5.7% year-on-year, down from the February figure of 6.4%. As a result, inflation remained within the Reserve Bank of India's (RBI) target range of 2%-6%. It is anticipated that inflation will

### GDP growth

(in %)



2 <https://pib.gov.in/PressReleaseDetailm.aspx?PRID=1928682>

3 <https://www.researchandmarkets.com/reports/4330283/specialty-chemicals-market-size-share-and-trends#rela0-5532615>

continue to ease in the upcoming months due to base effects and a reduction in demand, but there are potential risks from adverse weather events and higher global oil prices. Although inflation has come down within the RBI's target range, it is expected that the policy rates will remain unchanged for the remainder of the year. (Asian Development Bank Outlook April 2023)

## Outlook

India's economy has remained strong despite the unfavourable global economic conditions, primarily given a conducive domestic policy environment and the government's continued emphasis on structural reforms. The country is expected to maintain its position as the G-20's fastest-growing nation in the coming years.

The future looks promising for economic growth, as factors such as increasing disposable income, improved access to credit, and declining interest rates, facilitated by a stabilizing inflation trajectory, come together to create a favourable environment.

The growth rate of India's GDP is projected to decelerate to 6.4% in FY2023 due to various factors such as a global economic slowdown, tight monetary conditions, and consistently high oil prices. Despite this, the growth rate remains stronger than many of its peer economies, owing to its relatively resilient domestic consumption and lower reliance on global demand. India's growth is expected to pick up to 6.7% in FY2024 as private investment improves and the industrial sector sees accelerated growth. (ADB Outlook 2023)

## Global speciality chemical industry

The specialty chemical sector works in collaboration with various other industries, as the chemicals are employed in an array of applications including construction chemicals, textile chemicals, coatings and paints, mining chemicals, plastic additives, personal care, pharmaceuticals, among others.

According to market analysis, the worldwide speciality chemicals market is predicted to grow at a CAGR of 5.1% from 2022 to 2030 and is projected to reach a market size of USD 914.4 billion by 2030.<sup>3</sup> The growth of the sector is driven by increasing demand from various industries such as flavours, fragrances, pharmaceuticals, rubber processing, electronics, and more.

### Segment-wise growth enablers of speciality chemicals:

- The agriculture industry is driven by factors such as expanding population, soil degradation, increased demand for food and agricultural land. Moreover, the rising awareness among consumers about the benefits of using agrochemicals is expected to boost the growth of the agrochemicals industry.

- The global pharmaceutical industry is experiencing growth due to the increasing awareness of healthcare and lifestyle medications that are proven to be beneficial. This has led to a rise in demand for pharmaceutical products worldwide.
- The growth of the construction chemicals market is primarily driven by the expansion of new construction, repair, and renovation sectors in developing economies.
- The demand for finishing chemicals is being steered by technical textiles and functional home textile finishes.
- The demand for personal care products continues to surge in emerging markets, as consumers prioritize their health and wellness in the wake of the pandemic. This shift in consumer behaviour has led to an increase in the sales of personal care products in the long-term.
- The High-Performance Pigments (HPP) industry is primarily driven by the increased demand for HPPs in industries such as automotive and industrial coatings, plastics, and cosmetics.
- Growing research and development for creating novel products will likely provide an opportunity for these markets to expand.

### Indian speciality chemical industry

The speciality chemicals industry is experiencing rapid growth, and the market in India is expected to expand at a CAGR of over 12% from 2020 to 2025, presenting numerous opportunities for both domestic and multinational manufacturers. Sectors like food, automobiles, clothing, real estate, and cosmetics have demonstrated substantial demand for these chemicals and are expected to continue aiding growth in the industry in India, exceeding that of the rest of the world in the coming years. Speciality chemicals make up more than half of all chemical exports, making them a significant part of the trade.<sup>4</sup>

The major factors contributing to the demand for Indian speciality chemicals are –

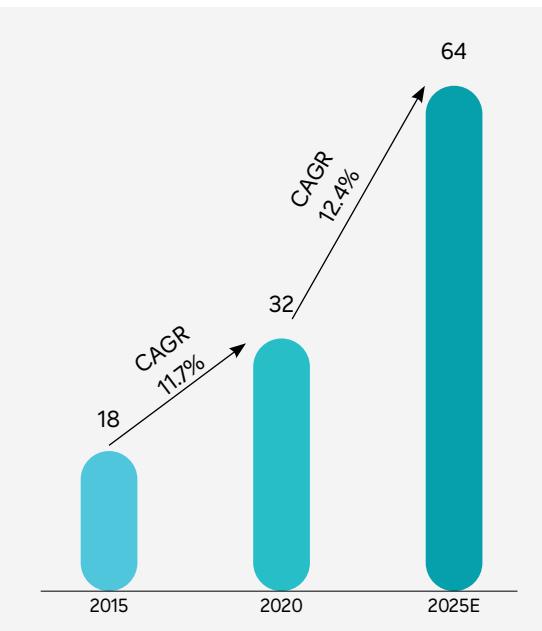
- Improved consumption standards
- High domestic consumption
- Growing demand from end-user industries
- Rising exports with further scope for expansion
- Favourable government initiatives and policies

India is becoming an increasingly attractive manufacturing destination for companies worldwide due to its cost-effective manufacturing capabilities, skilled process engineering, and ample workforce. The Indian speciality chemicals sector accounts for 22% of the country's overall chemicals and petrochemicals industry, valued at USD 32 billion.<sup>5</sup> The market

comprises of segments such as dyes and pigments, surfactants, polymers, textile chemicals, personal care chemicals, water chemicals, and construction chemicals. The unorganized sector of the industry is expected to be more extensive than the organized sector in some sub-segments, but its precise size is challenging to gauge.

### Indian specialty chemicals industry size

(USD billion)



Source: KPMG: Speciality chemicals industry - India

### Global pharmaceutical industry

The worldwide pharmaceuticals industry was valued at USD 12459.7 billion in 2021 and is projected to grow to USD 14068.6 billion by 2028, indicating a CAGR of 1.75% during the forecast period of 2022-2028.<sup>6</sup>

The ongoing Russia-Ukraine conflict has had a short-term negative impact on the global economic recovery post-pandemic. It has led to economic sanctions on multiple countries, increased commodity prices and disruptions in supply chains.

The COVID-19 pandemic has now entered its fourth year and has been one of the most significant global public health crises in recent decades. Despite this, the pandemic has highlighted the resilience of global health systems, which have rapidly adapted to meet surges in demand and have developed highly effective and safe vaccines and therapeutics at an unprecedented pace. The global vaccination program has been unparalleled in its speed and scope, with even previously inaccessible low-income countries being reached.

<sup>4</sup> <https://kpmg.com/in/en/home/insights/2022/11/specialty-chemicals-industry-india.html>

<sup>5</sup> <https://kpmg.com/in/en/home/insights/2022/11/specialty-chemicals-industry-india.html>

<sup>6</sup> <https://www.researchandmarkets.com/reports/5701790/global-pharmaceuticals-market-by-type-by#src-pos-1>

While managing the pandemic during the endemic phase remains a challenge, other health concerns are now returning to the forefront. It is expected that global spending and usage of medications will revert to pre-pandemic growth rates by 2024. However, there are still uncertainties over the next two years regarding viral variants, COVID-19 vaccination rollouts, underutilization of booster shots, as well as economic uncertainties stemming from global inflation, geopolitical tensions, and climate change.

In the past decade, medicine consumption has increased by 36%, owing to enhanced accessibility. However, it is anticipated that the growth rate will decline until 2027, with the total number of doses expected to surpass 3.4 trillion, representing an increase of around 8% from 2022.

The Asia-Pacific region, India, Latin America, Africa, the Middle East, and China are expected to witness the most substantial growth in medicine consumption, mainly due to population expansion and improved accessibility. In contrast, North America, Europe, and Japan are predicted to experience minimal growth.

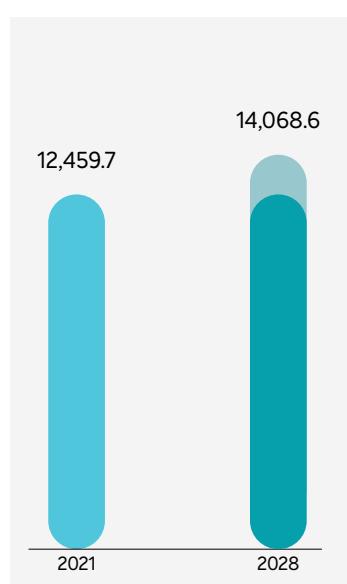
By 2027, it is projected that specialty drugs will account for approximately 43% of the global pharmaceutical expenditure and 56% of the total expenditure in advanced markets.

(Source: IQVIA Report)

#### Global pharmaceuticals market

##### Market forecast to grow at a CAGR of 1.8%

(USD billion)



(Source- Research and Markets)

#### India's pharmaceutical industry

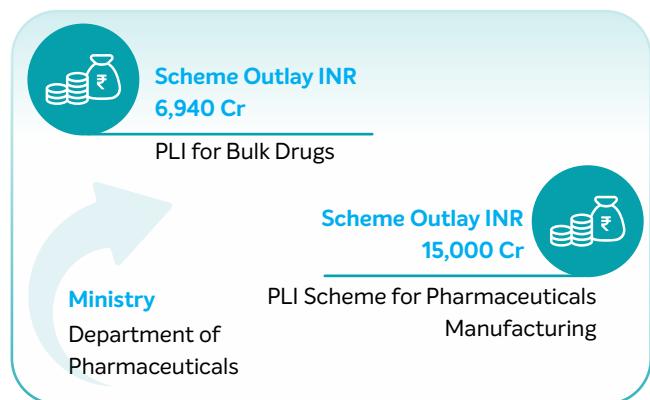
The pharmaceutical industry in India is projected to reach USD 130 billion by 2030, registering a Compound Annual Growth Rate (CAGR) of 12.3% from USD 40.8 billion in 2020 (KPMG Impact of the pharma industry on the Indian economy in the post-COVID era). Despite the pandemic, the industry has shown impressive growth, which can be attributed to its strong capabilities in formulation development, well-trained workforce, and positive reputation in international markets such as North America and Europe.

India plays a crucial role in the worldwide pharmaceutical industry, with exports to more than 200 countries, with the US being a significant market. The pharmaceutical sector contributes approximately 2% to India's GDP and 8% to the country's total merchandise exports, according to the RBI. India has the highest number of USFDA-compliant facilities outside of the US. As of August 2021, the USFDA had granted approval to 741 facilities in India, and as of December 2020, Indian companies had secured 4,346 ANDAs.

Currently, the solid dose formulation segment is the leading category in the finished dose segment, mainly due to cost-effectiveness, patent compliance, and easier maintenance. Additionally, India has gained worldwide recognition as the largest producer and exporter of generic drugs, with over 60,000 brands produced across 60 therapeutic categories. This amounts to approximately 20% of the global supply of generic medications.

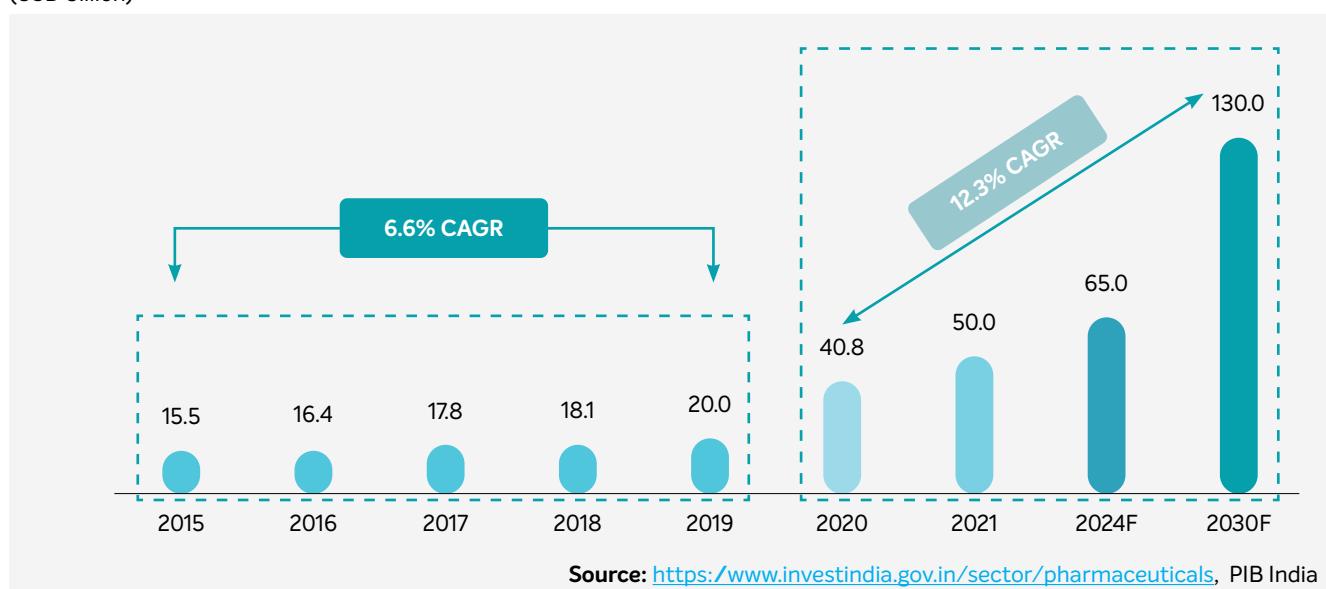
The Indian pharmaceutical industry is being supported by various initiatives taken by the government, including production linked incentive (PLI) schemes, medical devices and bulk drug parks, with the aim of increasing domestic production of active pharmaceutical ingredients (APIs), biopharmaceuticals, complex generics, patented drugs, and medical devices. These measures are expected to transform India into a global manufacturing hub and contribute to the growth of the industry. India's workforce, scientific research and development, manufacturing capabilities, and infrastructure position the country to provide universal healthcare access. The recent budget announcement regarding pharmaceutical R&D comes at a crucial time when India has played a significant role in the global effort to combat the COVID-19 crisis, having developed a vaccine and supplied vaccines, medications, and equipment to numerous countries in need.

Indian pharmaceutical firms have succeeded in not only catering to the domestic needs but also in becoming one of the leading exporters of pharmaceutical products. In FY21, India's pharma exports witnessed a remarkable growth of over 18.2% (KPMG Impact of the pharma industry on the Indian economy in the post-COVID era). India's position as a leading exporter can be attributed to various factors such as low capital requirements, cost-effective innovations, efficient manufacturing processes with minimal expenses, well-established R&D infrastructure, and operating facilities



### Indian pharmaceutical market

(USD billion)

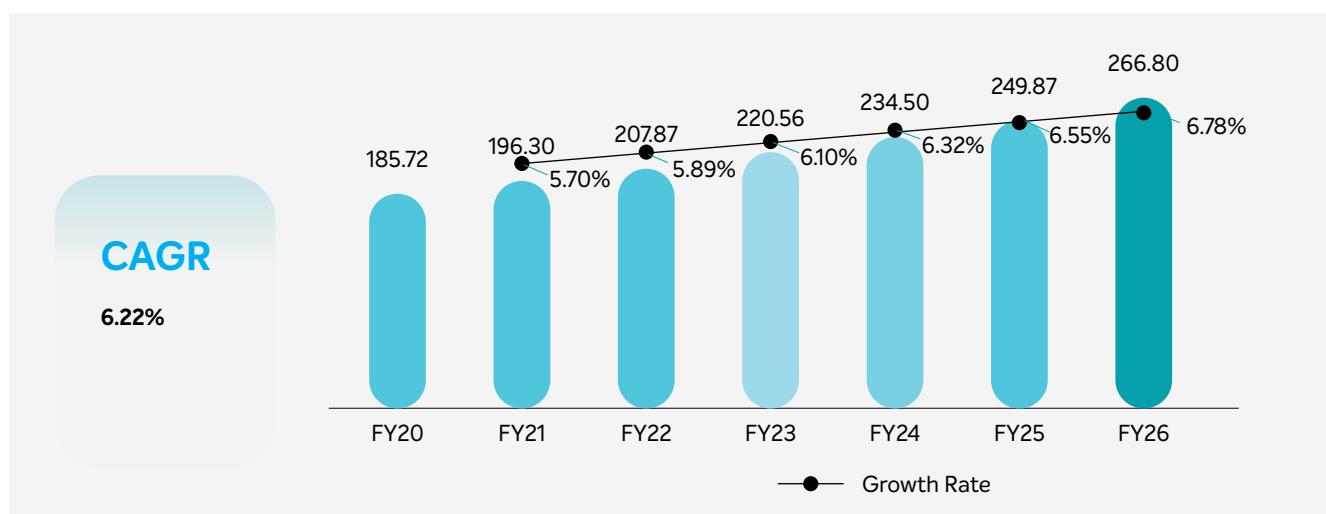


### Global API industry

The global active pharmaceutical ingredients (API) market is expected to expand significantly by 2026, on the back of an increasing elderly population worldwide, rising awareness of APIs and their emerging therapeutic uses, and the development of innovative and biotech APIs. The market was valued at \$185.72 billion in 2020 and is projected to grow at a CAGR of 6.22%, reaching a value of \$266.80 billion by 2026.

### Global Active Pharmaceutical Ingredients Market

(in billion)



The pharmaceutical industry is projected to see significant growth in various segments, including oncology, cardiovascular, anti-infective, central nervous system (CNS), respiratory, diabetes, and pain management.

- The increasing incidence of cancer and chronic diseases is driving growth in the **oncology and cardiovascular markets**.
- The **anti-infective APIs market** is also expanding due to an increase in lung infections and a large patient population with prolonged treatment needs.
- The **CNS APIs market** is expected to witness growth due to the rising demand for anti-psychotic products and increasing utilization of anti-epileptic drugs.
- The **respiratory APIs market** is expanding due to the increasing prevalence of respiratory illnesses, particularly in urban areas, and the long-lasting effects of COVID-19 on patients' lungs.
- The **diabetes APIs market** is projected to grow due to unhealthy lifestyles and a lack of awareness among the general population.
- Lastly, the **pain management segment** is anticipated to expand as demand for fast-acting pain relief gels increases.

#### Global High Potency APIs or HPAPI Market:

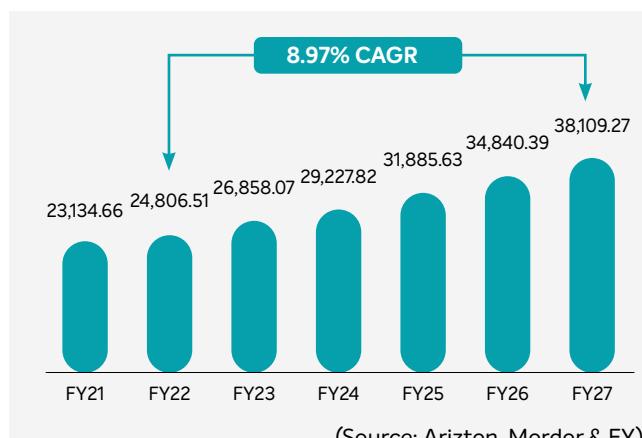
The increasing demand for drugs and the growing focus on precision medicine and high-potency APIs, coupled with advancements in manufacturing technology, are driving the market for highly potent APIs (HPAPIs).

With the rising incidence of cancer and other related conditions, the production and consumption of HPAPIs are expected to increase.

In addition, the market is expected to benefit from increasing technological innovations, product launches, and the establishment of new HPAPI manufacturing facilities.

#### HIGH-POTENCY APIs/HPAPI MARKET

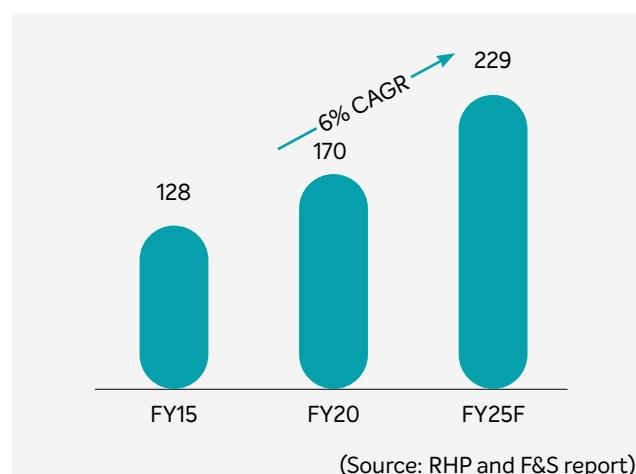
(USD million)



<sup>7</sup> <https://www.investindia.gov.in/team-india-blogs/harnessing-indias-api-potential>

#### Global API Market

(USD Bn)



#### India's API industry

India's pharmaceutical industry is predicted to achieve a market value of USD 65 billion by 2024 and USD 130 billion by 2030, driven by the rising demand for cost-effective and high-quality medications in both domestic and global markets. India has become a major player in the global pharmaceuticals industry, ranking as the 3<sup>rd</sup> largest producer of pharmaceuticals by volume and the 14<sup>th</sup> largest by value.

India fulfills around 20% of the world's demand for generic drugs, making it a key player and often referred to as the "pharmacy of the world.". India is a major manufacturer of more than 500 active pharmaceutical ingredients (APIs), contributing 57% of APIs to the World Health Organization's prequalified list. The API sector in India is attracting investors and venture capitalists due to the country's strong domestic market, advanced chemical industry, highly skilled workforce, strict quality and manufacturing standards, and lower operating costs compared to Western countries. This competitive edge has been further strengthened by the increasing hostility between China and Western nations, leading global pharma companies to seek alternative sources of bulk drugs. India has emerged as an impressive substitute supplier of bulk drugs to fill this gap.<sup>7</sup>

The major growth drivers include –

- Enhanced government focus on generic drugs
- The growing geriatric population
- Rising demand for biologics and speciality drugs
- Increased expenditure on health care
- Greater awareness of healthcare and diseases

The India Active Pharmaceutical Ingredients (API) market is segmented into business mode (captive API and merchant API), synthesis type (synthetic and biotech), drug type (generic and

branded) and application (cardiology, oncology, pulmonology, neurology, orthopaedic, ophthalmology, among other applications).

### Government of India's Schemes and Initiatives

It is worth noting that the Indian Government is also focusing on promoting innovation in the API sector. In March 2021, the Ministry of Chemicals and Fertilizers announced the formation of a high-level committee to identify APIs that can be produced indigenously, develop a roadmap for their development, and encourage local manufacturers to invest in research and development in this area. This initiative aims to reduce India's dependence on imports and increase self-sufficiency in the production of APIs, which are essential components of pharmaceuticals.

Moreover, India's National Health Stack (NHS), an initiative to digitize health records and build a national healthcare infrastructure, is expected to revolutionize the healthcare sector, and boost the API industry. The NHS aims to create a centralized platform for all health-related data, including electronic health records, prescription records, and diagnostic reports, which will help improve patient outcomes and drive demand for APIs.<sup>8</sup>

### Global API Intermediate market

The API Intermediate market is anticipated to experience a compound annual growth rate (CAGR) of 6.5% from 2021 to 2028 on a global scale.<sup>9</sup> The expansion in the pharmaceutical industry can be linked to several factors, including the growing incidence of chronic ailments, a surge in the request for generic drugs, and a rising trend in the use of biosimilars.

### India's API Intermediate market

Growth enablers of the API-RM/KSM market in India –

- Reduced reliance on imports:** The government's efforts to encourage local manufacturing of raw materials that were previously imported from China is likely to reduce India's reliance on imports and provide a boost to the domestic market. By incentivizing domestic production of these materials, the government is creating opportunities for local manufacturers and reducing the country's vulnerability to supply chain disruptions. This will not only increase the competitiveness of Indian industries but also contribute to the overall growth of the economy.

- Shifting investments from regulated markets:** The shift in investments from regulated markets, such as Europe, to emerging countries like India is expected to boost domestic output and lead to an increase in intermediate exports.

### Overview of therapeutics

- Global antidepressants market**

The global antidepressants market witnessed growth from USD 16.44 billion in 2022 to USD 17.41 billion in 2023, exhibiting a compound annual growth rate (CAGR) of 5.9%.<sup>10</sup> The rise in mental health disorders worldwide has significantly contributed to the growth of the antidepressant drugs market as many patients rely on these medications to treat conditions such as depression, anxiety disorders, and other mental illnesses.

- Global antipsychotic drugs market**

The global market for antipsychotic drugs is expected to witness significant growth, with projections estimating its value to increase from USD 15.50 billion in 2022 to USD 24.74 billion by 2029, representing a CAGR of 6.9%.<sup>11</sup> Although the market caters to a smaller user base compared to other diseases, the high cost of antipsychotic drugs compensates for the lower volume. The number of users is expected to increase rapidly worldwide, providing the industry with ample growth opportunities.

- Global anticoagulants market**

The global anticoagulants market was valued at over USD 37 billion in 2021 and is estimated to grow at a compound annual growth rate (CAGR) of 9% from 2022 to 2030<sup>12</sup>.

- Global Parkinson's disease treatment market:**

The global market for Parkinson's disease treatment was estimated at USD 4.28 billion in 2021 and is projected to grow at a compound annual growth rate (CAGR) of 12.1% from 2022 to 2030.<sup>13</sup>

- Global idiopathic pulmonary fibrosis (IPF) treatment market**

The market for Idiopathic Pulmonary Fibrosis (IPF) worldwide was estimated at USD 2,073.9 million in 2021 and is projected to reach USD 4,298.8 million by 2030, with a compound annual growth rate (CAGR) of 9.4% during this period.<sup>14</sup>

<sup>8</sup> <https://www.investindia.gov.in/team-india-blogs/harnessing-indias-api-potential>

<sup>9</sup> <https://dataintelo.com/report/api-intermediate-market/>

<sup>10</sup> <https://www.thebusinessresearchcompany.com/report/antidepressant-global-market-report>

<sup>11</sup> <https://www.fortunebusinessinsights.com/industry-reports/antipsychotic-drugs-market-101390>

<sup>12</sup> <https://www.gminsights.com/industry-analysis/anticoagulants-market>

<sup>13</sup> <https://www.grandviewresearch.com/industry-analysis/parkinsons-disease-treatment-market>

<sup>14</sup> <https://www.researchandmarkets.com/reports/5547485/global-idiopathic-pulmonary-fibrosis-market-by>

- **Global anti-retroviral (ARV) market**

The market for HIV drugs worldwide was valued at USD 30.51 billion in 2021 and is projected to grow at a CAGR of 5.2% from 2022 to 2030. The increasing prevalence of HIV and its treatment is one of the major drivers propelling the global antiretroviral (ARV) market forward.

- **Global kidney cancer drugs market**

Kidney cancer comprises about 2.0% of total adult cancer cases worldwide and 3.8% of new cancer cases in the United States. The kidney cancer drugs market is experiencing growth due to the rising number of kidney disease cases and increased research and development efforts by various pharmaceutical companies. The global kidney drugs market is predicted to have a compound annual growth rate (CAGR) of 5.9% from 2023 to 2030.<sup>15</sup>

- **Global prostate cancer treatment market**

The estimated size of the global market for prostate cancer therapeutics was USD 12.12 billion in 2022, and it is projected to grow at a CAGR of 8.4% from 2023 to 2030<sup>16</sup>. The growth of the market can be attributed to several factors such as the rising prevalence of prostate cancer, the use of advanced screening and diagnostic techniques, and government support for the development of new treatments for prostate cancer.

### Global contract research and manufacturing services (CRAMS) industry

In 2022, the global market for pharmaceutical contract manufacturing and research services was valued at USD 226.6 billion. It is predicted to expand at a compound annual growth rate (CAGR) of 7.10% from USD 244.5 billion in 2023 to USD 395.2 billion in 2030. Adoption of outsourcing to cost-effective manufacturing facilities, the development of new active ingredients, and changes in the product portfolio are primary catalysts of growth for the market.

### India's CRAMS industry

The Indian pharmaceutical contract manufacturing market is projected to experience a positive compound annual growth rate (CAGR) of approximately 13.3% between 2022 and 2028<sup>17</sup>. As a member of several free trade agreements, India has access to well-established and emerging pharmaceutical markets in the Asia-Pacific region. This growth is expected to be driven by factors such as lower manufacturing costs, the availability of skilled labour, and the presence of certified manufacturing plants.

<sup>15</sup> <https://www.databridgemarketresearch.com/reports/global-kidney-cancer-drugs-market>

<sup>16</sup> <https://www.grandviewresearch.com/industry-analysis/prostate-cancer-therapeutics-market>

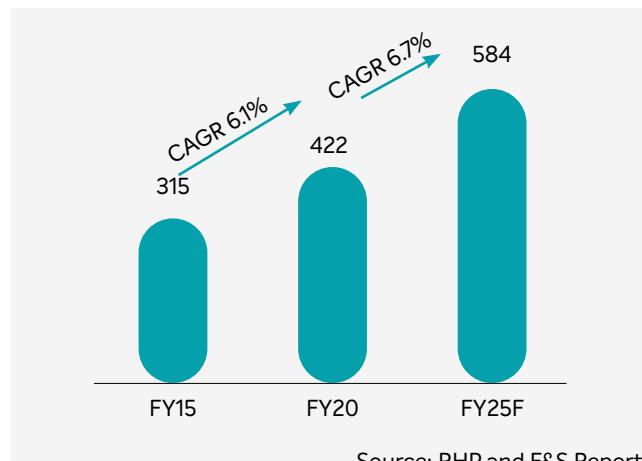
<sup>17</sup> <https://www.grandviewresearch.com/industry-analysis/pharmaceutical-contract-manufacturing-market>

<sup>18</sup> <https://www.researchandmarkets.com/reports/5734785/indian-pharmaceutical-contract-manufacturing>

### Salicylic acid industry

#### Global Salicylic Acid Market- Size and Growth

(USD Mn)



Source: RHP and F&S Report

According to market reports, the global salicylic acid market is projected to reach a valuation of US\$ 417.8 million in 2022 and US\$ 814.2 million by 2032, indicating a CAGR of 6.9% from 2022 to 2032. The salicylic acid market on a global scale is characterized by high fragmentation, with a limited number of manufacturers offering different price structures that are application-specific. The market is witnessing a surge in sales due to increasing consumer awareness of the various benefits of salicylic acid. The use of salicylic acid derivatives as ointments, including chlorine salicylate and methyl salicylate, is also expected to rise, thereby contributing to the demand for salicylic acid. Aspirin, which is commonly made from a significant amount of salicylic acid, is projected to witness an increase in demand due to its superior pain-relieving properties and easy availability. The market is further expected to be driven by the increasing demand for packaged foods and beverages. However, concerns about the side effects of salicylic acid may potentially affect the market's growth.

### Company overview

AMI Organics (AMI) is a research-and development-oriented producer of speciality chemicals with diverse applications. It is primarily concerned with the development and manufacturing of advanced pharmaceutical intermediates. These intermediates are primarily utilised in regulated and generic Active Pharmaceutical Ingredients (APIs), new chemical entities (NCEs), and as key initial components for agrochemicals and fine chemicals.

The key APIs for which the Company manufactures intermediates include Trazodone, Entacapone, Oxcarbazepine, Nintedanib, Apixaban and Rivaroxaban. Moreover, these pharmaceutical intermediaries find extensive application across an array of burgeoning medicinal fields, marking the Company's contribution to the pharmaceutical industry.

A crucial cornerstone of the Company is its cutting-edge in-house Research and Development facility, which has been duly acknowledged by the Department of Scientific and Industrial Research (DSIR) in India. This facility houses a team of highly qualified scientists and researchers who are committed to the progression and enhancement of the Company's product portfolio. Their firm dedication ensures consistent innovation in line with the Company's mission. In addition, the Company's quality control laboratory, reflects its pledge to exceptional product quality. This is achieved through rigorous testing and monitoring procedures which ensure that every product matches the Company's high standards.

The combination of advanced facilities, a dedicated team, and a customer-centric approach enables the Company to carve out a reputable position within the specialty chemicals industry. These factors collectively mark AMI Organics as a reliable and highly competent player in the market.

**520+**

Products across all businesses

**500+**

Worldwide customer base

**~50**

Countries

**3**

Manufacturing facilities

**6060 MTPA**

Total installed capacity

#### **Pharma intermediates business:**

The Company develops, manufactures and commercialises advanced pharma intermediates used for manufacturing API and NCE in India and overseas markets. Since inception, it has created over 520 pharmaceutical intermediates in 17 different therapeutic areas, which are supplied to over 160 customers. The Company has a strong customer base with more than 1 product with all the major customers. It caters to several therapeutic areas, including antiretroviral, anti-inflammatory, anti-psychotic, anti-cancer, anti-Parkinson's, antidepressant and anticoagulant.

#### **Speciality chemicals:**

The Company produces specialised chemicals, primarily chemical components used in agrochemicals and fine chemicals and has diversified its commercialised product line over time. Preservatives, cosmetics and agrochemicals are just few of the many end-user groups that the Company offers to domestic as well as international customers. With the acquisition of Gujarat Organics Limited, the total manufacturing capacity of the Company has increased from 2460 to 6060 MTPA. The Company has expanded its existing product portfolio of speciality chemicals to also include capabilities to manufacture preservatives and other speciality chemicals used in the manufacture of cosmetics, dyes, polymers, petrochemicals and agrochemicals.

#### **Growth enablers**

##### **Deploying innovative technologies for cost efficiency**

With fierce competition in the industry in which the Company operates, technology plays a crucial role in sustaining the Company's position as a leading market player. As the Company's industry peers continuously keep abreast with latest technology, it strives to keep its technology, facilities as well as machinery up to date by upgrading them following the latest international standards. Additionally, the Company seeks to position itself as a prominent market player both globally by embracing the most recent technological changes and being cognizant of ongoing technological advancements to ensure cost effectiveness.

##### **Consistently focusing on developing advanced pharmaceuticals intermediaries**

The Company tirelessly strives to leverage cutting-edge technology to make existing API products and processes cost-effective while expanding its product line through R&D expenditures. The Company is prioritising its market expansion in the manufacturing of a series of advance pharmaceutical intermediaries for APIs and NCE. In line with the objective of selling and promoting its products in the European Union, the Company has also obtained REACH registration, which has enabled it to become a 'preferred supplier' to its clients in that region.

##### **Leveraging the cost advantage**

In an increasingly regulated global context, the Company's high-volume business strategy and high product purity levels provide stability and reliability for its product supply, making it less vulnerable to demand-supply variations that negatively affect other industry players. The Company selects more than two vendors for the supply of each raw material vertical, thereby gaining an advantage of better negotiating power for securing its raw material requirements. Additionally, it utilises various means to reduce the cost of production, such as bulk commercial production of advanced pharmaceutical intermediaries for the generic APIs and NCE, and uses electricity for production instead of natural gas.

**Diversification of business by focusing on organic and inorganic growth opportunities:**

The Company keeps exploring strategic partnerships and acquisitions to advance internal knowledge and inorganic growth. To achieve the desired level of organic development, the Company intends to increase internal capacity and manufacturing capabilities along with research and development. It believes that pursuing strategic acquisitions such as GOL will enhance its capabilities and technical know-how. Additionally, forming new partnerships will enable it to strengthen its product portfolio and manufacturing capabilities in the speciality chemicals sector.

**Challenges and risks**
**Challenges concerning non-compliance for any facility could affect performance:**

The Company is part of a highly regulated industry. It deals in advanced pharmaceutical intermediates and must adhere to various regulations and quality standards. The production facilities and products may be subject to audit and inspection by Indian as well as foreign regulatory bodies (including the US FDA), as the Company offers its products to customers across several international markets. Any anomalies could impede production, which would impact the Company's reputation as well as financial performance.

**Inability to pass on higher R&M costs can impact performance:**

The Company requires other commodity materials such as ethyl alcohol, dimethylformamide, isopropyl alcohol, toluene, caustic soda, benzene and alkalis. Most of its contracts with raw material suppliers are short-term. Working capital, the Company's operations and commercial performance may all suffer considerably as a result of the Company's inability to predict demand and supply effectively.

Environmental, health and safety ('EHS') laws, rules, and requirements becoming increasingly stringent:

The Company's manufacturing facilities are subject to several laws that are meant to safeguard the environment. The Company anticipates that more environmental regulations will be added in the future. The Company's operations generate waste and contaminants, some of which may be dangerous and flammable. As a result, the Company must abide by several laws and government regulations, including those pertaining to environmental and occupational health and safety. Any noncompliance on its part regarding any current or future regulations that apply to it may result in business loss and legal proceedings.

**Risk management**

Risks Faced	Risk Description	Mitigation Strategy
Geopolitical risk	Risks associated with geopolitical tensions include supply chain disruptions and inflation, which can adversely impact the Company's operations.	<ul style="list-style-type: none"> <li>The Company's global footprint ensures that it is protected from momentary slowdown in any particular region due to the vast scope of its operations.</li> <li>The products developed by the Company find application in several specialised fields, which safeguards them from these risks.</li> </ul>
Operational risk	Operational risks that the manufacturing facilities must deal with include equipment breakdown or failure, interruptions in the power supply or processes, performance below planned output levels, efficiency, labour disputes, strikes, environmental challenges, lockdowns and the inability to obtain services from external contractors.	<p>The Company complies with cGMP guidelines, which include –</p> <ul style="list-style-type: none"> <li>well-designed and maintained equipment and facilities</li> <li>established standard operating procedures (SOPs)</li> <li>an independent quality assurance unit</li> <li>competent employees and management</li> <li>adherence to and correct documentation of process and product controls as well as lab controls required for drug quality assurance.</li> </ul>
Technology risk	The risks associated with the expenditures for creating new products and technologies, upgrading manufacturing facilities and retaining research employees. They have a substantial impact on the Company's operating results and cash flow.	<ul style="list-style-type: none"> <li>To build its product pipeline, the Company devotes a large amount of time, money and other resources to R&amp;D.</li> <li>Ami Organics adapts to quick changes in the industry as a result of technological and scientific advancements. The business ensures that equipment, facilities and technology adhere to the latest international standards.</li> </ul>

Risks Faced	Risk Description	Mitigation Strategy
Raw Material risk	The Company may not be able to efficiently pass on any rise in raw material costs to customers, leaving margins, sales, operational results and cash flow exposed to changes in raw material availability and prices.	<ul style="list-style-type: none"> <li>The Company has multiple vendors for each vertical of raw material supply and hence can manage the risk of the sudden unavailability of one vendor efficiently.</li> <li>To maintain cost-competitive prices, the Company prefers to place purchase orders from vendors at regular intervals rather than sign long-term contracts with specific suppliers.</li> </ul>
Product risk	The changes in consumer demand may compel the Company to stop existing or planned product development. If appropriate investments are not made in a timely manner, the Company's business, brand and financial standing may suffer severely.	<ul style="list-style-type: none"> <li>AMI Organics develops, tests and manufactures cutting-edge products that meet regulatory requirements and secure the required regulatory approvals to remain competitive.</li> <li>The business' finances are secure, which allows them to deal with unforeseen circumstances.</li> </ul>
Demand risk	Due to fluctuations in product demand, the actual production numbers may vary dramatically from the estimates.	<ul style="list-style-type: none"> <li>The Company often looks to make up for any shortages through new orders, either with existing or new customers.</li> </ul>
Forex risk	The majority of sales and purchases at the Company, which has a global reach, are made in foreign currencies. Therefore, it is exposed to foreign exchange risks.	<ul style="list-style-type: none"> <li>The Company thoroughly evaluates the exchange rate risks brought on by foreign exchange transactions and uses derivatives, such as foreign exchange forward contracts, to reduce exposure.</li> <li>To help mitigate the risk of currency exchange, the Company makes purchases of goods, commodities and services in the relevant currencies.</li> </ul>
Customer risk	The demand from customers, particularly the top five customers, determines revenue levels and operational performance. Sales are directly impacted by customer output and inventory levels.	<ul style="list-style-type: none"> <li>AMI Organics has developed several enduring relationships with clients both domestically and internationally.</li> <li>Purchase orders from key clients serve as the foundation for sales to the Company. With the aid of estimations of customer order volumes, the Company forecasts production volumes and income for certain products.</li> </ul>
Environmental risk	If the Company fails to abide by present and future environmental rules and regulations, it could face penalties in the long run or have its production halted, which could have an adverse effect on its operations or financial performance.	<ul style="list-style-type: none"> <li>The Company has incurred significant capital expenditure to install machinery and equipment to regulate the discharge of effluents. These include a Zero Liquid Discharge based effluent plant, a soil biological treatment system and a RO plant with a pre-treatment system.</li> <li>All the manufacturing units of the Company are ISO 9001:2015, ISO 14001:2015 certified</li> </ul>
Competition risk	Due to the intense competition, Ami Organics faces the risk of losing revenue from customers that are acquired by the Company's competitors. The competitors might also poach important raw material suppliers which will harm the business as well as the financial position of the Company.	<ul style="list-style-type: none"> <li>By being able to differentiate its products and ensure their efficient and timely delivery, the Company strengthens its capability to compete successfully.</li> <li>The Company remains competitive in the market by being able to reduce costs through enhanced productivity, the elimination of redundancies and consistent technological innovation.</li> </ul>

## Human resources

The Company values its human capital as its most essential asset. It acknowledges that the growth of the Company over the years is an outcome of the dedicated efforts of its team members. As the Company operates in a dynamic operating environment, it is making prudent investments in the training and development of its personnel to ensure that they are kept abreast of evolving market trends. Additionally, it endeavours to create a diverse workplace so that its people can grow while developing relevant skills. As of March 31, 2023, the Company had a total of 602 employees.

## Financial Performance

Particulars	Numerator/ Denominator	UoM	As of March 31, 2023	As of March 31, 2022	Change in %	Remark for Daviation
(a) Current Ratio	Current Assets Current Liabilities	Times	2.87	3.30	-12.85%	-
(b) Debt-Equity Ratio	Total Debts Equity	Times	0.01	0.00	251.27%	Repayment of Debt in FY 2022 through IPO proceed.
(c) Debt Service Coverage Ratio	Earning available for Debt Service Interest + Instalments	Times	316.17	0.61	51731.15%	Repayment of Debt in FY 2022 through IPO proceed.
(d) Return on Equity Ratio	Profit after Tax Average Shareholder's Equity	Percentage	0.15	0.21	-28.57%	IPO in sept-2021 leads to significant change in denominator for FY 2023
(e) Inventory turnover ratio	Total Turnover Average Inventories	Times	2.86	3.16	-9.49%	-
(f) Trade receivables turnover ratio	Total Turnover Average Account Receivable	Times	3.15	3.71	-15.09%	-
(g) Trade payables turnover ratio	Total Purchases Average Account Payable	Times	2.58	3.17	-18.61%	-
(h) Net capital turnover ratio	Total Turnover Net Working Capital	Times	2.14	1.73	23.93%	-
(i) Net profit ratio	Net Profit Total Turnover	Percentage	13.51%	13.83%	-2.31%	-
(j) Return on Capital employed	Net Profit Capital Employed	Percentage	19.21%	18.49%	3.89%	

### Internal control systems and their adequacy

The Company has comprehensive internal control systems commensurate with the nature of its business and the size and complexity of its operations. They provide reasonable assurance on the effectiveness and efficiency of its operations, the reliability of financial reporting and compliance with the applicable laws and regulations. The internal control systems that deploy an amalgam of modern and traditional processes are routinely tested and upgraded for both design and operational effectiveness by the Management and the same is audited by the Statutory Auditors. Significant audit observations, follow-up actions and recommendations thereon are also reported to the Senior Management and the Audit Committee for their review. The Company has appointed M/S. K.C. Mehta & Co. (Chartered Accountants), a reputed audit firm specialising in internal audits and assurance. The annual internal audit plan is reviewed and approved by the Audit Committee at the beginning

of the financial year to ensure adequate coverage. The progress of the internal audit plan, significant observations noted during internal audits and status of identified actions are reviewed by the Management periodically and by the Audit Committee on a quarterly basis.

### Cautionary statement

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

# Board's Report

To  
 The Members,  
**Ami Organics Limited**

Your Directors are pleased to present Sixteenth (16th) Annual Report on the business and operations of the Company along with the Standalone and Consolidated Audited Financial Statements of the Company for the Financial Year ended on March 31, 2023.

## 1. Corporate Overview and General Information:

Your Company is a R&D driven manufacturer of pharma intermediates & specialty chemicals with varied end usage, focussed on the development and manufacturing of advanced pharmaceutical intermediates (“Pharma Intermediates”), New Chemical Entities (“NCE”) and Other specialty chemicals for pharmaceuticals, agrochemicals, dyes, polymers, personal care, animal food and other Industries. Company has developed and commercialised over 520 plus products including speciality chemicals, Pharma Intermediates for APIs across 23 key therapeutic areas since inception and NCE across select high-growth high margin chronic therapeutic areas. Company added 70 plus new products during FY23. On the operational front during the FY23 Company has successfully commercialized few products using continuous flow reactors. Post introduction of flow chemistry some of the speciality products have become globally competitive. As part of endeavour to expand our capabilities, your Company has entered some long-term LOIs and contracts with some of leading global pharma companies during the FY 2022-23.

## 2. Financial Results: Standalone and consolidated

The Financial Statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (“the Act”), read with Rule 7 of the (Companies Accounts) Rules, 2014.

The standalone and consolidated financial performance of the Company, for the Financial Year ended on March 31, 2023 are summarized below:

Particulars	(Rs. In Lakhs except EPS Data)			
	Standalone		Consolidated	
	FY.2022-23	FY.2021-22	FY.2022-23	FY.2021-22
Revenue from Operations	61673.40	52013.50	61673.45	52013.50
Other Income	431.98	276.23	431.98	276.23
<b>Total Revenue</b>	<b>62105.38</b>	<b>52289.73</b>	<b>62105.43</b>	<b>52289.73</b>
Expenditure	50882.91	43144.69	50,888.25	43,144.69
<b>Profit/Loss before Tax</b>	<b>11222.47</b>	<b>9145.04</b>	<b>11217.18</b>	<b>9145.04</b>
Provision for Tax:				
Current tax	2637.72	1672.15	2637.72	1672.15
Deferred tax	250.49	278.28	250.49	278.28
<b>Profit/ Loss after Tax</b>	<b>8334.26</b>	<b>7194.61</b>	<b>8328.97</b>	<b>7194.61</b>
Other comprehensive Income /Loss	22.49	80.65	312.85	128.79
Items that will not be reclassified to profit or loss	-	-	-	80.65
Tax impact of items that will not be reclassified to statement of profit and loss	(5.66)	(20.30)	(5.66)	(20.30)
<b>Total comprehensive income for the year</b>	<b>8351.09</b>	<b>7254.96</b>	<b>8636.16</b>	<b>7383.75</b>
Earnings per equity shares				
1. Basic (in Rs.)	22.87	21.03	22.86	21.03
2. Diluted (in Rs.)	22.87	21.03	22.86	21.03

The Board of Directors of your Company reviews the affairs of its subsidiary company regularly. In accordance with the provisions of Section 129(3) & Section 133 of the Companies Act, 2013 (“the act”), read with the Companies (Accounts) Rules, 2014 and other relevant provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), as amended the Company has prepared Consolidated Financial Statements including requisite details of the subsidiary and joint venture.

### 3. Dividend:

In line with the Dividend Distribution Policy of the Company which is available on the Company's website viz. [www.amiorganics.com](http://www.amiorganics.com) your Directors are pleased to recommend a final dividend at the rate of 30% i.e. of Rs. 3.00 (Three) per equity share of face value of Rs. 10/- for the financial year 2022-23. The proposed dividend, subject to approval of shareholders in the ensuing Annual General Meeting of the Company, would result in appropriation of 109.3 Million (inclusive of TDS). The dividend would be payable to all shareholders whose names appear in the Register of Members and the list of beneficial owners furnished by the National Securities Depository Limited and the Central Depository Services (India) Limited as on the Record date i.e September 18, 2023. Final Dividend once approved by members shall be disbursed within 30 days of the approval and the date of disbursement shall be communicated in advance to the Stock Exchanges, BSE Limited and National Stock Exchange of India Limited.

#### Dividend Distribution Policy:

In terms of regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") the Company has formulated a Dividend Distribution Policy, which is approved by the Board of Directors at their meeting held on March 22, 2022 and is uploaded on Company's website and the link for the same is [http://www.amiorganics.com/static/dividend\\_distribution\\_policy.pdf](http://www.amiorganics.com/static/dividend_distribution_policy.pdf)

#### Unpaid / Unclaimed Dividend:

In terms of the provisions of Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 / Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001, there was no unpaid / unclaimed dividends required to be transferred during the Financial Year under review to the Investor Education and Protection Fund.

### 4. Change in nature of Business:

During the financial year under review, there has been no change in the nature of business of the Company.

### 5. Transfer to General Reserves:

During the Financial Year under review, your Company has not transferred any amount to General Reserve.

### 6. Changes in Subsidiaries, Joint Ventures and Associate Companies:

Ami Onco-Theranostics, LLC was incorporated as a limited liability company on January 29, 2015 in the State of Delaware, U.S.A. as an international corporate joint venture between Photolitec LLC, a limited liability company formed under the laws of New York state in the United States of America and Ami Organics Limited.

The Company has incorporated its Wholly owned subsidiary company namely "Ami Organics Electrolytes Private Limited". having certificate of incorporation dated June 30, 2022. Pursuant to the provisions of Section 129(3) of the Companies Act, 2013 ('the Act'), a statement containing salient features of the financial statements of subsidiaries, joint venture and associate's companies in Form AOC-1 is attached as **Annexure I** to the Board Report.

The separate financial statements of the Subsidiary & Joint Venture are available on the website of the Company and can be accessed at [www.amiorganics.com](http://www.amiorganics.com) at link : <http://www.amiorganics.com/financials-results.html>

#### Material Subsidiaries:

The Board of Directors of the Company at its meeting had approved the policy for determining Material Subsidiaries. At present the Company does not have any Material Subsidiary. The Policy on Material Subsidiary has been posted on the website of the Company at the following link: [http://www.amiorganics.com/material\\_subsidary\\_policy.pdf](http://www.amiorganics.com/material_subsidary_policy.pdf)

### 7. State of Company's Affairs and Outlook:

#### Business Highlights:

The year began on a very challenging note with the ongoing war in Ukraine, seasonally affected supply side impacting commodity and gas prices, increasing raw material prices, among others. All these factors added to significant cost pressure for all the companies. While supply side issues continued to pile up during the start of year, we saw muted demand environment across industries. While the start of the year was demanding, the situation gradually improved as the year progressed, albeit at a slower pace.

Your Company was able to consolidate on its key strengths like continuous research & development, long term relation with its key clients, aggressive cost controls and marketing efforts, technology adoption for increase in productivity and cost controls, quick adaptation for changing product demands, introduction of niche products through continued research and development. These efforts reaped well for your company during the testing times. Showing great resilience and sustainability, your company was able to deliver robust growth despite these challenges.

To cater to the incremental demand Company had embarked on setting brownfield project at Ankleshwar entailing a capex of Rs. 1900 Million. The existing Ankleshwar facility was demolished and work started to set up a new plant with advance technology for pharma intermediates business, scheduled to have installed capacity of 436.5 KL. Civil work for production and admin block has been completed and Machinery installation is in progress. Company has started the manpower recruitment for the new facility. The Project is on track and is slated to commence the production activity in Q4 FY24.

The Key business highlights during the financial year 2022-23 may be summarised as under:

- During FY23, your company has commercialised 70 new products.
- Your company has added 40 new customers in Advance Pharmaceutical Intermediates & 20 new customers in Speciality Chemical business.
- During the year, Company has incorporated wholly owned subsidiary Ami Organics Electrolytes Private Limited.
- During the year, Board approved the Capex plan of Ankleshwar Unit of Rs.1900 Million to build a brownfield plant to support the future business growth of the company's advanced pharmaceutical intermediates segment.
- During the year, Company has acquired an industrial plot admeasuring 8000 sq. mtr. at Plot No. 5538, in GIDC Sachin Industrial Area, Sachin, Surat and has been developed as Warehouse II for catering to the incremental warehousing requirement for its Sachin facility.

#### **Financial Highlights of the Company:**

During the financial year of review your company continued its strong growth momentum by achieving total revenue of over INR 6210 million, which was higher by 19% when compared to last year total revenue of 5229 million. Our core Advance Pharma Intermediate business aided the growth for the whole year with 22% growth year-on-year, whereas specialty chemical business grew slightly by 3%.

Key financial highlights on standalone results of our operations are as under:

- Revenue from operations for FY23 grew by 18.6% YoY to Rs. 6167 Million as compared to 5201 Million in FY 22.
- EBITDA for the full year came at Rs. 1227 Million up 16.6% as compared to Rs. 1052 Million in FY22.
- Profit after tax registered a growth of 15.8 % on Y-o-Y basis in FY23 to arrive at Rs. 833 Million as compared to 719 Million in FY22.
- Export for the year was at 59%, whereas domestic business was at 41%.

#### **Financial Highlight of Joint Venture:**

Ami Onco-Theranostics, LLC was incorporated as a limited liability company on January 29, 2015 in the State of Delaware, U.S.A. as an international corporate joint venture between Photolitec LLC, a limited liability company formed under the laws of New York state in the United States of America and Ami Organics Limited. Ami Onco-Theranostics, LLC is primarily engaged in the business of commercialising, manufacturing, marketing and selling its pharmaceutical products as authorised under the objects clause of its constitutional documents. It is a clinical research company engaged in new drug

development activity. During the year of review the joint venture contributed a net loss of Rs. 2.73 Million. The joint venture company along with its co venturer Photolitec LLC has developed several technologies for cancer imaging and therapy and few of the Protocols for cancer treatment have received FDA approval in USA. Phase II clinical trials for Photodynamic Therapy (PDT) for usage in variety of cancers are ongoing. However commercialisation of joint venture company's products / technology is awaited upon receipt of necessary regulatory approvals.

#### **Financial Highlights of Wholly Owned Subsidiary:**

Ami Organics Electrolytes was incorporated on June 30, 2022 as wholly owned subsidiary of the Ami Organics Limited. During the year of review, Company had negligible revenue and had incurred losses amounting to Rs. 2.91 Million on account of finance costs and other expenses. Company has developed two new products namely one liquid electrolyte additive to increase electro capacity of Li batteries and one for Solid battery. Company is progressing towards commercialisation of its products. Electrolyte samples are approved at plant trial scale by few customers and it expects to get some sizeable orders during the FY24.

#### **8. Internal Financial Controls:**

The Company has adequate Internal Financial Controls System over financial reporting which ensures that all transactions are authorised, recorded, and reported correctly in a timely manner. The Company's Internal Financial Controls over financial reporting provides reasonable assurance over the integrity of financial statements of the Company.

Company has laid down Standard Operating Procedures, Policies and procedures to guide the operations of the business. Functional heads are responsible to ensure compliance with all laws and regulations and also with the policies and procedures laid down by the management. The Company tracks all amendments to Accounting Standards, the Companies Act and makes changes to the underlying systems, processes and financial controls to ensure adherence to the same.

#### **9. Material Changes and commitments:**

Your Company's Board of Directors as on April 22, 2023 have approved the acquisition of 55% stake in Baba Fine Chemicals, a leading speciality chemicals company supplying products to the semiconductor industry, at a purchase consideration of Rs. 682.1 million subject to certain adjustments as may be required on closing of transaction. With this acquisition company intends to gain entry and diversify into semiconductor industry.

Save as mentioned elsewhere in this Report, no material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year of the Company i.e March 31, 2023 and the date of this Report.

## 10. Deposits:

The Company has neither accepted nor renewed any deposits during the year under review to which the provisions of the Companies (Acceptance of Deposits) Rules 2014 applies.

## 11. Loans, Guarantees or Investments made under Section 186 of the Companies Act, 2013:

Company has granted loan amounting to Rs. 2.1 million to its wholly owned subsidiary company, Ami Organics Electrolytes Private Limited to be used for its business purpose. Except this, there were no loans or guarantees given by the Company under Section 186 of the Companies Act, 2013 during the year under review. During the year Company made investment in the share capital of its Wholly owned subsidiary company for an amount of Rs. 0.1 Million which was within the limits approved by Board of Directors and the limits prescribed under section 186 of the Companies Act, 2013.

## 12. Share Capital:

As on March 31, 2023, the authorized share capital of the Company is Rs. 500 Million comprising of 50 Million equity shares of ₹10 each. The paid up Equity share capital of Company as on 31st March, 2023 is Rs. 3643,70,620/- divided into 364,37,062 equity shares of Rs. 10/- each. The Company's equity shares are listed at BSE Limited and the National Stock Exchange of India Limited. The Listing fees for the financial year 2023-24 has been paid. The stock code of the Company at BSE Limited is 543349 and the Symbol at the National Stock Exchange of India Limited is AMIORG.

### a. Buy Back of Securities:

Company has not bought back any of its securities during the year under review.

### b. Sweat Equity:

Company has not issued any Sweat Equity Shares during the year under review.

### c. Bonus Shares:

Company has not issued any bonus shares during the year under review.

### d. Employees Stock Option Plan:

The Company has not provided any Stock Option Scheme to the employees during FY 2022-23. However Company has implemented Ami Organics Employees stock Option Scheme 2023 ("ESOS 2023") upon the approval of shareholders on June 4, 2023. The ESOS 2023 Scheme is in compliance with the SEBI (Share Based Employee Benefits) Regulations, 2014 ('SBEB Regulations').

### e. Fresh Issue of Shares:

Company has not issued any new Shares during the year under review.

### f. Issue of equity shares with differential rights as to dividend, voting or otherwise.

Company has not issued any equity shares with differential voting rights during the FY 2022-23.

## 13. Directors & Key Managerial Personnel:

The Company has 4 (four) Independent Directors including two Women Independent Director, namely, Mr. Girikrishna Maniar , Mr. Hetal Gandhi, Mrs. Richa Goyal and Dr. Anita Bandyopadhyay.

**Key Managerial Personnel:** Mr. Nareshkumar R. Patel – Chairman & Managing Director, Mr. Chetankumar C. Vaghasia -Whole Time Director, Mr. Virendra Nath Mishra – Whole time Director, Mr. Ram Mohan Lokhande- Whole Time Director, Mr. Bhavin Shah – Chief Financial Officer (CFO) and Mrs. Ekta Kumari Srivastava – Company Secretary & Compliance Officer are the Key Managerial Personnel of the Company in accordance with Sections 2(51) and 203 of the Act read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) for the time being in force).

### i) Retirement by rotation:

In accordance with the provisions of section 152(6) of the Act and in terms of the Articles of Association of the Company Mr. Virendra Nath Mishra (DIN: 07815490), Whole Time Director will retire by rotation at ensuing Annual General Meeting and being eligible, he has offered himself to be re-appointed as Director. The brief profile of Mr. Virendra Nath Mishra and the resolution for his appointment as Director is given in the Notice of the 16th Annual General Meeting (AGM), The Board proposes his reappointment to the members.

### ii) Resignation and Appointment of Chief Financial Officer:

During the year of review, Chief Financial Officer of the Company, Mr. Abhishek Patel resigned from his post, after completing tenure of 4 years at Company and the Board accepted his resignation w.e.f June 1, 2022. Board placed on record its appreciation for his invaluable contribution and commendable services to company during his tenure as Chief Financial Officer.

Board at its meeting held on May 21, 2022 appointed Mr. Bhavin N. Shah as the Chief Financial Officer and Key Managerial Personnel of the Company w.e.f June 1, 2022. Mr. Bhavin N. Shah is a member of "The Institute of Chartered Accountants of India " and is having

more than 18 years of rich experience in consulting, corporate accounts, and finance.

**iii) Re-appointment of Mr. Girikrishna Maniar as a Non-Executive & Independent Director of the Company:**

Based on the recommendation of the Board of Directors and Nomination and Remuneration Committee, shareholders at 15th Annual General Meeting held on August 09, 2022 re-appointed of Mr. Girikrishna Maniar as the Non-Executive Independent Director of the Company for second term of five (5) consecutive years on the Board of the company starting from April 23, 2023 till April 22, 2028. In the opinion of the Board Mr. Girikrishna Maniar possesses requisite integrity, expertise and experience, including the proficiency required for an independent director.

**14. Board Evaluation:**

Pursuant to the provisions of the Companies Act, 2013 and rules made thereunder and as provided under Schedule IV of the Act and Listing Regulations, structured procedure was adopted after taking into consideration the various aspects of the Board's functioning, composition of the Board and its various Committees, execution and performance of specific duties, obligations and governance. The performance evaluation of the Independent Directors was completed in time. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. The Nomination and Remuneration Committee ("NRC") has laid down proper criteria and procedure to evaluate and scrutinize performance of the Chairperson, each Executive, Non-Executive and Independent Director, Board as a whole and its Committees.

The Independent Directors at their meeting held on February 4, 2023, through discussion, evaluated the performance of non-independent directors, The Board has carried out annual performance evaluation of its own performance, the directors individually as well the evaluation of the working of its Audit, Nomination & Remuneration and Stakeholders' Relationship Committee.

While evaluating the performance of Directors, the following points were considered:

- i. Participation in Board Meetings and Board Committee Meetings.
- ii. Managing relationship with other directors and management.
- iii. Knowledge and Skill i.e., understanding of duties, responsibilities, refreshment of knowledge, knowledge of industry, ability to listen and to present their views.
- iv. Personal attributes like maintain high standard of ethics and integrity.
- v. Strategic perspectives or inputs regarding future growth of Company and its performance

**Outcome of Evaluation:**

The Board of the Company was satisfied with the functioning of the Board and its Committees. The Committees are functioning well and besides covering the Committees' terms of reference, as mandated by law, important issues are brought up and discussed in the Committee meetings. The Board was also satisfied with the contribution of Directors, in their individual capacities

**15. Declaration by Independent Directors:**

The Company has received a declaration from all Independent Directors (IDs) that they meet the criteria of independence specified under Section 149 of the Act, read with Rule 5 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1) (b) of SEBI LODR Regulations for holding the position of ID and that they shall abide by the "Code for Independent Directors" as per Schedule IV of the Act. Pursuant to IICA, Companies (Accounts) Amendments Rules, 2019 Companies (Creation and Maintenance of Databank of Independent Directors) Rules, 2019 and Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2019 dated 22nd October, 2019, all IDs on the Board of the Company completed registration on Independent Director's Data Bank.

**Familiarisation Program for Independent Directors:**

The familiarisation program seeks to update the Directors on the roles, responsibilities, rights and duties under the Act and other statutes and about the overall functioning and performance of the Company. The policy and details of familiarisation programme is available on the website of the Company at [http://www.amiorganics.com/static/uploadfiles/downloads/download\\_6316.pdf?20230418060136](http://www.amiorganics.com/static/uploadfiles/downloads/download_6316.pdf?20230418060136)

**16. Related Parties Transactions:**

All related party transactions/arrangements/contracts entered into by the Company during the financial year 2022-23 were either undertaken on the basis of omnibus approval of the Audit Committee or with prior approval of the Audit Committee and/or Board. All related party transactions were at arm's length basis and in the ordinary course of business in compliance with the applicable provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

There are no materially significant related party transactions that may have potential conflict with interest of the Company at large. Details of related party transactions entered into by the Company, in terms of Ind AS-24 have been disclosed in the notes to the standalone / consolidated financial statements forming part of this Annual Report. Form AOC-2 pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is set out in **Annexure II** to this Report.

The Company's Related Party Transactions Policy appears on its website at [www.amiorganics.com](http://www.amiorganics.com) link <http://www.amiorganics.com/rptpolicy.pdf>

## 17. Corporate Governance:

Your Company believes in adopting best practices of corporate governance. Corporate governance principles are enshrined in the spirit of Ami Organics, which form the core values of Ami Organics. These guiding principles are also articulated through the Company's code of business conduct, Corporate Governance Guidelines, charter of various sub-committees and disclosure policy. As per Regulation 34 of the Listing Regulations, a separate section on corporate governance practices followed by your Company, together with a certificate from M/s. Kashyap Shah & Co., Company Secretaries, on compliance with corporate governance norms under the Listing Regulations, forms a part of the Annual Report.

## 18. Business Responsibility & Sustainability Report:

Pursuant to Regulation 34(2)(f) of the Listing Regulations and SEBI circular no. SEBI/LAD-NRO/ GN/2021/2 dated May 5, 2021, your Company provides the prescribed disclosures in new reporting requirements on Environmental, Social and Governance ("ESG") parameters called the Business Responsibility and Sustainability Report ("BRSR") which includes performance against the nine principles of the National Guidelines on Responsible Business Conduct and the report under each principle which is divided into essential and leadership indicators which forms part of this Annual Report and is also hosted on the website of the Company i.e. [www.amiorganics.com](http://www.amiorganics.com).

## 19. Management Discussion and Analysis (MDA):

In compliance with Regulation 34 of SEBI LODR Regulations Management Discussion and Analysis for the financial year under review, as stipulated under the SEBI Listing Regulations, is presented in a separate section, which forms a part of this Annual Report.

## 20. Vigil Mechanism & Whistle Blower Policy:

Pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013 and Companies Meeting of Board and its powers Rules, 2014, and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements), 2015 Company has constituted a Vigil Mechanism for directors and employees to report genuine concerns. The format of reporting and the vigil mechanism and whistle blower policy is regularly updated to the employees and Directors. The Vigil Mechanism & Whistle Blower Policy has been uploaded on the website of the Company at <http://www.amiorganics.com/corporate-policies.html>

## 21. Board Meetings:

During the F.Y. 2022-23, Eight (8) meetings of Board were held, the details of which have been disclosed in the corporate governance report, which forms part of the Board's report. The maximum interval between any two meetings did not exceed 120 days, as prescribed by the Companies Act, 2013.

## 22. Committees of Board:

As required under the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as on March 31, 2023, the Board has the following committees:

- Audit Committee
- Nomination & Remuneration Committee
- Stakeholders Relationship Committee
- IPO Committee
- Corporate Social Responsibility Committee
- Risk Management Committee
- ESG Committee

During the year, all recommendations made by the committees were approved by the Board. A detailed note on the composition of the Board and its Committees, including its terms of reference is provided in the Corporate Governance Report. The composition and terms of reference of all the Committees of the Board of Directors of the Company is in line with the provisions of the Act and the Listing Regulations.

## 23. Risk Management

Risk Management is at the core of the business which provides framework towards risk identification, analysis & prioritization of risks, development of risk mitigation plans and reporting on the risk environment of the Company. The Board has constituted a Risk Management Committee as required under Regulation 21 of the SEBI Listing Regulations to frame, implement and monitor the risk management plan of the Company.

Risk Governance Framework is created within the Company in the following lines :

- (i) **Risk Management Committee** : The Committee oversee implementation of mechanism of Operational Risk Management and guide the organization towards that. The Committee reports to the Board. The Committee has atleast 1 independent director.
- (ii) **Chief Risk Officer (CRO)** : CRO is appointed by the Risk Management Committee and his role is to facilitate

risk management mechanism through decentralized approach, providing support and guidance to the whole organization.

(iii) **Three Lines of Defence :** For proper Governance and control, the organization has three lines of defence.

First line of defence include actual functional owners throughout the organization, mainly consists of MD, EDs, KMPs, other Senior Management and Functional Heads. The company is run by these officials and they are supposed to take care of risks within their own functional areas.

Second line of defence include Chief Compliance Officer, Chief Risk Officer who do not participate in day to day operations of the company but facilitate compliance risk management process through support and guidance for other functions

Third line of defence is internal auditors who reports their observations to Audit Committee.

(iv) **Risk Champions / Risk Co-ordinators (RC Group):**

The organization has appointed one official from each function, who is responsible for carrying out risk management initiative within their own functional area. This is under guidance of CRO and their own functional Head. This group is called RC- Group and is instrumental for decentralized effective implementation of risk management mechanism.

## 24. Business Continuity Plan :

The Company has Business Continuity Plan in place, which has been designed to ensure continuity of critical processes during any disruption. The continual disruptions caused by the COVID 19 pandemic tested the BCP of the Company, nevertheless, it continued to operate in line with the procedures outlined in its Business Continuity Plan. As a result, Company was able to continue to protect and serve customers while taking care of the health of their employees.

## 25. Risk Management Policy:

The Company has adopted a Risk Management Policy aimed to ensure resilience for sustainable growth and sound corporate governance by having a process of risk identification and management in compliance with the provisions of the Companies Act, 2013 and the Listing Regulations.

The Company recognises that all emerging and identified risks need to be managed and mitigated to

- Protect its shareholder's and other stakeholder's interests;
- Achieve its business objectives; and
- Enable sustainable growth.

The risk management includes identifying types of risks and its assessment, risk handling and monitoring and reporting. The Company has framed a sound Risk Management Policy to identify and evaluate potential business risks and its mitigation and the same has become integral part of Company's day to day operations. The key business risks identified by the Company are as follows viz. Industry Risk, Management and Operations Risk, Business Risks, Finance Risks, Market Risk, Regulatory risk, Liquidity risk, and Technology risk. The Company has worked out mitigation plans for the aforesaid risks. The risk management policy is available at the website of Company at [www.amiorganics.com](http://www.amiorganics.com) at the link : [http://www.amiorganics.com/riskmanagement\\_policy.pdf](http://www.amiorganics.com/riskmanagement_policy.pdf)

## 26. Nomination and Remuneration Policy:

The Nomination and Remuneration Policy of the Company, inter alia, provides that the Nomination and Remuneration Committee shall: (i) formulate the criteria for board membership, including the appropriate mix of Executive & Non-Executive Directors; (ii) approve and recommend compensation packages and policies for Directors and Senior Management; and (iii) lay down the effective manner of performance evaluation of the Board, its Committees and the Directors.

The salient features of the Nomination and Remuneration Policy of the Company along with highlights are outlined in the Corporate Governance Report which forms part of this Report. The Policy is also available on the website of the Company at [www.amiorganics.com](http://www.amiorganics.com) at the link: [http://www.amiorganics.com/nomination\\_and\\_remuneration\\_policy.pdf](http://www.amiorganics.com/nomination_and_remuneration_policy.pdf)

## 27. Employee Stock Options:

The Company grants share-based benefits to eligible employees with a view to attracting and retaining the best talent, encouraging employees to align individual performances with Company objectives, and promoting increased participation by them in the growth of the Company.

### Ami Organics Employee Stock Option Scheme 2023 ("ESOS 2023"):

On June 04, 2023, pursuant to approval by the shareholders through postal ballot, the Board has been authorized to introduce, offer, issue and provide share-based incentives to eligible employees of the Company under ESOS 2023 plan. The maximum number of shares to be granted under the ESOS 2023 Plan shall not exceed 3,64,370 equity shares. Nomination and Remuneration Committee at its meeting held on June 28, 2023 approved the grant of 30,000 options to eligible employees under Tranche 1 of Ami Organics Employee Stock Option Scheme 2023 at an exercise price of Rs. 100/- per option convertible into the equity shares of face value of Rs. 10/- each of the Company and shall vest within a period of one year from the date

of the grant and shall be exercisable within two years of vesting. The ESOS 2023 Scheme is available on the website of company at <http://www.amiorganics.com/ESOS2023.pdf>

## 28. Remuneration of Directors, Key Managerial Personnel and Senior Management:

The remuneration paid to the Directors, Key Managerial Personnel and Senior Management is in accordance with the Nomination and Remuneration Policy formulated in accordance with Section 178 of the Act and Regulation 19 read with Schedule II of the Listing Regulations. Further details on the same are given in the Corporate Governance Report which forms part of this Annual Report. The information required under Section 197 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of directors and employees of the Company is set out in **Annexure III & IV** to this Report. Further, the Managing Director and Whole Time Directors of the Company have not received any remuneration or commission from any of its subsidiaries/other Companies.

During the year under review, none of the Non-Executive Directors of the Company had any material pecuniary relationship or transactions with the Company, other than sitting fees, payment of commission and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board/Committee of the Company.

## 29. Corporate Social Responsibility (CSR):

During the financial year 2022-23, the Company has spent Rs. 13.72 Million towards CSR expenditure. The CSR initiatives of the Company were under the thrust areas of health & hygiene, education, enhancing vocational skills, environment and sanitation and rural development. Company implemented its CSR activities both directly and through various NGOs as implementing agencies. The CSR Policy of the Company is available on the website of the Company at [www.amiorganics.com/csr\\_policy.pdf](http://www.amiorganics.com/csr_policy.pdf)

The Company's CSR Policy statement and annual report on the CSR activities undertaken during the financial year ended March 31, 2023 in accordance with Section 135 of the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014 ("CSR Rules") is set out in **Annexure V** to this Report.

## 30. Board Diversity:

Your Company recognizes and embraces the importance of a diverse Board in its success. Company believe that a truly diverse Board will leverage differences in thought, perspective, regional and industry experience, cultural and geographical background, age, ethnicity, race, gender, knowledge and skills including expertise in financial, diversity, global business, leadership, information

technology, mergers and acquisitions, Board service and governance, sales and marketing, Environmental, Social and Governance (ESG), risk management and cybersecurity and other domains, which will ensure that company retains its competitive advantage. The Board Diversity Policy adopted by the Board sets out its approach to diversity. The policy is available on our website, at [www.amiorganics.com](http://www.amiorganics.com/board_diversity_policy.pdf) at the link [http://www.amiorganics.com/board\\_diversity\\_policy.pdf](http://www.amiorganics.com/board_diversity_policy.pdf)

## 31. Director's Responsibility Statement:

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submit its Responsibility Statement for FY 2022-23;

- i. That in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii. That the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for the year under review;
- iii. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv. That the Directors have prepared the annual accounts on a going concern basis and the directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- v. That the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## 32. AUDITORS:

### Statutory Auditors:

The Company's Auditors M/s. Maheshwari & Co., Chartered Accountants, bearing (ICAI Registration Number: 105834W) had been appointed as statutory auditor of the company for a period of five years starting from the Annual General Meeting held for FY 2018-19 till Annual General Meeting to be held for FY 2022-23. The present term of statutory auditors shall end in the ensuing 16th AGM. It is proposed to re-appoint M/s. Maheshwari & Co., Chartered Accountants, bearing (ICAI Registration Number: 105834W) as Statutory Auditors for another term of five consecutive years from

the conclusion of the ensuing 16th Annual General Meeting till the conclusion of the 21st Annual General Meeting of Company. Their re-appointment shall be as per the provisions of the Companies Act, 2013 and rules made thereunder. They have submitted their certificate to the effect that they fulfil the requirements of Section 141 of the Companies Act, 2013

The Statutory Auditors have issued Audit Reports with unmodified opinion on the Standalone and Consolidated Financial Statements of the Company for the year ended March 31, 2023. The Notes on the Financials Statement referred to in the Audit Report are self-explanatory and therefore, do not call for any further explanation or comments from the Board under Section 134(3) (f) of the Companies Act, 2013. The report of the Statutory Auditors of the Company forms part of the annual report.

During the year under review, the statutory auditors have not reported to the Audit Committee under section 143(12) of the Companies Act, 2013, any instance of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Board Report

#### **Cost Auditors:**

Maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, are applicable to the Company and accordingly such records are being maintained. M/s Chirag Vallabhbhai Vekariya, Cost Accountant has been appointed as Cost Auditors of the Company for the conduct of Cost Audit for the FY 2023-24. In terms of the provisions of Section 148(3) of the Act, read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is required to be ratified by the Members, accordingly, a resolution seeking ratification by the Members for the remuneration is listed in the Notice of 16th AGM as Special Business. The Cost Audit report for the FY 2021-22 was obtained from the Cost Auditors and e Form CRA 4 was filed to the Ministry of Corporate Affairs on time. The Cost Audit Report for the FY 2022-23 will be filed in due course.

#### **Internal Auditors:**

The Company has in place an adequate internal audit framework to monitor the efficacy of internal controls with the objective of providing to the Audit Committee and the Board of Directors, an independent and reasonable assurance on the adequacy and effectiveness of the organization's risk management, internal control and governance processes. The framework is commensurate with the nature of the business, size, scale and complexity of its operations with a risk based internal audit approach.

For the FY 2022-23, Company appointed M/s K.C. Mehta & Co. LLP as the Internal Auditors for conducting Internal audit of systems and processes, providing of observations, impact and recommendation to strengthen the internal control framework and advise on internal control process gaps of the company. The Internal Auditors report to the Audit Committee on quarterly basis. Several

recommendations were received from the Internal Auditors and most of them were complied by the management during the FY 2022-23. Company has reappointed M/s K.C. Mehta & Co. LLP as the Internal Auditors for conducting Internal audit of the company for FY 2023-24.

#### **Secretarial Auditors:**

The Board has appointed M/s Kashyap Shah & Co., Practicing Company Secretaries, to conduct secretarial audit for the financial year 2022-23. The secretarial audit report for the financial year ended March 31, 2023 is annexed herewith marked as **Annexure VI** to this report.

Additionally, in line with SEBI Circular dated February 8, 2019, an Annual Secretarial Compliance Report confirming compliance with all applicable SEBI Regulations, Circulars and Guidelines by the Company was issued by the Secretarial Auditors and filed with the Stock Exchanges within sixty days of the end of FY 2022-23. It is annexed to this report as **Annexure VII**. The remarks provided in the report are self-explanatory. The Secretarial Audit Report and/or Secretarial Compliance Report does not contain any qualification, reservation or adverse remark.

#### **33. Compliance of applicable secretarial standards:**

During the year of review, Company has complied with the applicable provisions of Secretarial Standards (I & II) issued by the Institute of Company Secretaries of India and approved by the Central Government under section 118(10) of the Companies Act, 2013.

#### **34. Code for Prevention of Insider Trading:**

Your Company has adopted a Code of Conduct to regulate, monitor and report trading by designated persons and their immediate relatives as per the requirements under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. The Code, inter alia, lays down the procedures to be followed by designated persons while trading/ dealing in Company's shares and sharing Unpublished Price Sensitive Information ("UPSI"). The Code covers Company's obligation to maintain a digital database, mechanism for prevention of insider trading and handling of UPSI, and the process to familiarize with the sensitivity of UPSI. Further, it also includes code for practices and procedures for fair disclosure of unpublished price sensitive information which has been made available on the Company's website at [www.amiorganics.com](http://www.amiorganics.com) at the link [http://www.amiorganics.com/code\\_of\\_conduct/insider\\_trading\\_regulations.pdf](http://www.amiorganics.com/code_of_conduct/insider_trading_regulations.pdf) During the year of review no cases of violation of insider trading regulations were reported.

#### **35. Disclosure under the Sexual Harassment of Women at workplace (Prevention of, Prohibition and Redressal) Act, 2013.**

The Company has in place an anti-Sexual Policy in line with the requirements of the Sexual Harassment of Women

at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“POSH Act”). All employees (permanent, contractual, temporary, trainees) are covered under this policy. Company has constituted the Internal Complaints committee consisting of male and female employees of Company and a reputed female lawyer as an external member of the internal complaints committee. Three internal committees have been constituted at all places of business locations of the Company. Adequate workshops and awareness programmes against sexual harassment are conducted across the organization

Company has also submitted the Annual Report under POSH Act to the District Officer of concerned locations. Regular awareness sessions and interaction programmes with female employees are held. As per the Annual Report of Internal Complaints Committee there was no case of sexual harassment complaint received during the Financial Year 2022-23.

### **36. Conservation of Energy, Technology Absorption and Foreign Earnings and Outgo:**

[Pursuant Section 134(3)(M) Of the Companies Act, 2013  
Read with Rule 8(3) of the Companies (Accounts) Rules, 2014]

#### **Conservation of Energy:**

All business units continued their efforts to improve energy usage efficiencies. Various key performance indicators like specific energy consumption (energy consumed per unit of product), energy costs were continuously tracked to monitor alignment with the Company's overall sustainability approach. The Company is engaged in the continuous process of further energy conservation through improved operational and maintenance practices and has also undertaken effective measures to minimize energy consumption. The above measures have resulted / will result in less consumption of power, fuel and coal, ultimately resulting in savings in the cost of production.

The Company has undertaken Energy Audits in its plants to identify excess energy consumption and intends to reduce the same to the best possible extent. The Company has implemented a project for increasing condensate recovery and recycling of DM Water in its Co-Gen Power plant so as to reduce the consumption of coal and DM Water. The Company has also installed energy efficient pumping system to reduce overall load on utilities like power. Your Company continues to strive to improve operational efficiency in its operations to conservation of energy and optimization of resource consumption.

- i) Steps taken for conservation of energy during FY 2022-23:
- ii) To improve the operational efficiencies, following steps have been taken for conservation of energy:

Installed VFD “Variable frequency drives “in Brine Plant to control energy as per the process requirements.

Installed ATFD machines to produce the products in place reactors, filters and dryers in series to reduce power consumption.

Installed ACs with effective energy conservation.

Improvement in recovery of steam condensate water to reuse in boiler.

Auto control electricals switches installed on each reactor, ANFD, Centrifuges for lighting and saving purpose.

Company has upgraded its effluent treatment new air blower with membrane diffuser system in aeration and replaced surface aerator in ETP. This will help to improve the DO level in aeration system and also reduce energy consumption

Replacement of old high energy consumption pumps and motors with high efficiency pumps and motors to have the better control on energy savings.

Reduction in generation and distribution losses after converting into centralized operation of chilled water and sub-zero brine to save power.

- iii) The steps taken by the Company for utilising alternate sources of energy.
- NIL
- iv) The capital investment on energy conservation equipment's: 0.22 Million

#### **Technology absorbtion :**

- i) Efforts, in brief, made towards technology absorption. Benefits derived as a result of the above efforts, e.g., product improvement, cost reduction, product development, import substitution, etc

Company strives through its indigenous in-house R&D to develop continuous process technologies in place of batch process that creates significant reduction in energy consumption, less process times. R&D and, Process engineering department has enables the innovation technologies based growth agenda of company through its technology upgradation strategies.

Technological innovation is also simultaneously focused on Safety, health & environmental issues. During the year Company focused its R&D efforts on development of new products, process improvement of its existing products, recovery of products from wastes.

During the financial year of review Company has successfully developed and commercialized 2 products under continuous flow reactors. Continuous flow reactors are more efficient and sustainable when compared to manufacturing products using traditional reactors. Company has successfully developed capabilities in Plug Flow, Catalytic fixed-bed flow, Tubular flow kind of reactors. This technology reduces the cycle time to manufacture a product, less energy consumptions which leads to lower utilization of efficient utilities. Company got benefits of less place, less energy and also less process times after establishing many flow processes / reactors compared with traditional reactors.

ii) The benefits derived like product improvement, cost reduction, product development or import substitution etc.

With the adoption of new technology using continuous flow reactors the benefits derived were increase in yield, reduction in timelines of the reaction process, proportionate reduction in cost of manufacturing and reduction in power consumption. Company increased yield of its four products, decreased consumption of raw materials in eight products, decreased consumption charge of solvent in products, recovered few products from pollutants and introduced 70 new products.

iii) In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year), following information may be furnished:

Company has not imported any technology and hence not applicable.

#### Expenditure incurred on Research and Development :

Particulars	(Amount in Rs. Million)	
	2022-2023	2021-2022
Revenue Expenditure	64.89	47.47
Capital Expenditure	12.34	22.95

#### Foreign Exchange Earnings and Outgo :

Particulars	(Amount in Rs. Million)	
	2022-2023	2021-2022
Foreign Exchange Outflows (outgo)	1866.44	1210.70
Foreign Exchange Inflows (earnings)	3243.20	3010.38

#### 37. Disclosure in respect of scheme formulated under section 67(3) of the Companies act, 2013:

Company has not formulated any scheme in terms of Section 67(3) of the Companies Act, 2013 for the benefit of employees.

#### 38. Disclosures pursuant to section 197 (14) of the Companies act, 2013:

None of the Directors of the Company are in receipt of any commission from any holding or subsidiary Company.

#### 39. Annual Return

Pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 Annual Return of the Company for the FY 2021-2022 has been placed at website of the Company at <http://www.amiorganics.com/annualreturn.pdf>

#### 40. Awards and Recognitions:

The year gone by has been a remarkable year for the company. Company was conferred with the following prestigious awards:

- Your Company has been assessed by the Ecovadis which has certified your company in the Bronze category in the area of environment & sustainability.
- Your Company has became a member of the United Nations Global Compact (UNGC) and signatory to the Climate Neutral Now Initiative assuring our commitment to minimising climate-related risks and the environmental impact of our operations.
- Your company has received prestigious award "Outstanding work in Research and Development" by South Gujarat Chamber of Commerce & Industries (SGCCI).
- Mr. Nareshkumar R. Patel, Chairman & Managing Director of Company received the prestigious "Outstanding Business Leader-Male" by Federation of Gujarat Industries (FGI)

#### 41. Other Disclosures :

##### i. Statement of Deviation(s) or Variation(s)-

In terms of Regulation 32 of the Listing Regulations, there was no deviation or variation in connection with the terms of the objects of the issue mentioned in the Prospectus dated September 6, 2021, in respect of the Initial Public Offering of the Company. –

The net proceeds of the Initial Public Offer of Rs. 3000 million inclusive of preferential allotment to qualified institutions of Rs. 1000 million were utilised in accordance with the objects mentioned in the Prospectus dated September 6, 2021. As on March 31, 2023 the proceeds of the IPO were completely utilised as per the objects stated in Prospectus dated September 6, 2021. The statement of utilisation of IPO proceeds as on March 31, 2023 is provided below:

<b>Original Object</b>	<b>Modified Object, if any</b>	<b>Original Allocation as per Prospectus dated Sept 6, 2021</b>	<b>Modified allocation, if any</b>	<b>(Rs. In Millions)</b>
Repayment/prepayment of certain financial facilities availed by our Company	Not Applicable	1,400.00	Not Applicable	1,400.00
Funding working capital requirements of our Company	Not Applicable	900.00	Not Applicable	900.00
General Corporate Purpose	Not Applicable	459.31	Not Applicable	459.31
<b>Total</b>		<b>2759.31</b>		<b>2759.31</b>

\*Offer related expenses amounted to Rs. 240.69 million

**ii. Significant and Material Order passed by the Regulators/ Courts:**

During the year, no significant and material order was passed by any of the Regulators or courts or tribunals in respect of any litigation involving the Company or impacting the going concern status and company's operations in future.

**iii. Disclosure under the Insolvency and Bankruptcy Code, 2016:**

During the year under review, No application has been made or any proceeding is pending under the Insolvency and Bankruptcy Code, 2016 during the year.

**iv. Disclosure on one-time settlement with Banks or Financial Institutions:**

During the year under review, no one-time settlement is done with Banks and Financial Institutions and as such there is no difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions.

**42. Human Resources:**

Board acknowledges the impeccable contribution of all employees, at all levels of hierarchy, whether at lower, junior, mid or senior levels. Each and every employee of the company is an important factor and contributor to the growth and success story of organization. During the period under review, the personal and industrial relations with the employees remained cordial in all respects. The management has carried out systematic appraisal of performance and imparted training at periodic intervals. The Company recognizes talent and has judiciously followed the principle of rewarding performance.

During the year Company implemented the revised minimum wages as per the Gujarat Government's Directive and rolled out an increase of 25% in minimum wages for the workers category. During the year Company started

providing free meals to all the workers including permanent and contractual workers. During the year several cultural activities and training programs for the employees were successfully organized to keep up the employees skills, knowledge motivation and zeal.

**43. Cautionary Statement**

Statements in this Directors' Report and Management Discussion and Analysis Report describing the Company's objectives, projections, estimates, expectations or predictions may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make difference to the Company's operations include raw material availability and its prices, cyclical demand and pricing in the Company's principal markets, changes in Government regulations, Tax regimes, economic developments within India and the countries in which the Company conducts business and other ancillary factors.

**44. Acknowledgment:**

The Board takes this opportunity in expressing their gratitude and appreciation to the various Government Authorities, Company's Stakeholders', bankers, business associates, consultants for their continued support extended to the Company. The Board also acknowledges the continuous support received from its shareholders, stakeholders valued customers, suppliers, and employees of the Company.

On behalf of the Board  
**For Ami Organics Limited**

Sd/-  
**Nareshkumar R. Patel**

Place: Surat  
Date: August 25, 2023

Chairman & Managing Director  
DIN: 00906232

# Annexure I

## Form AOC-1

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

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

#### Part A : Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in INR)

Sr. No.	Particulars	Details
1.	Name of the subsidiary	Ami Organics Electrolytes Private Limited
2.	The date since when subsidiary was acquired / established	June 30, 2022
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	March 31, 2023
4.	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	INR
5.	Share capital	Rs. 1,00,000/-
6.	Reserves and surplus	Rs. (29,05,780)/-
7.	Total assets	Rs. 10,18,810/-
8.	Total Liabilities	Rs. 38,24,590/-
9.	Investments	NIL
10.	Turnover	Rs. 5000/-
11.	Profit before taxation	Rs. (29,05,780)/-
12.	Provision for taxation	NIL
13.	Profit after taxation	Rs. (29,05,780)/-
14.	Proposed Dividend	NIL
15.	Extent of shareholding (in percentage)	100%

Notes :

1. Name of subsidiaries which are yet to commence operations:  
NIL
2. Names of subsidiaries which have been liquidated or sold during the year.  
NIL

#### Part B: Associates and Joint Ventures

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

Sr. No.	Name of Associates or Joint Ventures	AMI ONCO-THERANOSTICS, LLC
1.	Latest audited Balance Sheet Date	March 31, 2023
2.	Date on which the Associate or Joint Venture was associated or acquired	January 29, 2015
3.	Shares of Associate or Joint Ventures held by the company on the year end No.	125 units (50%)
	Amount of Investment in Associates or Joint Venture	317.92 Million
	Extent of Holding (in percentage)	50%
4.	Description of how there is significant influence	50% Holding of Ami Organics Limited
5.	Reason why the associate/joint venture is not consolidated	N.A.
6.	Net worth attributable to shareholding as per latest audited Balance Sheet	Rs. 391.67 Million
7.	Profit or (Loss) for the year	
i.	Considered in Consolidation – Loss	Rs. 2.73 Million
ii.	Not Considered in Consolidation	Rs. 2.73 Million

## Annexure II

### AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act 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 parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto.**

1. Details of contracts or arrangements or transactions **not at arm's length basis: NIL**
2. Details of material contracts or arrangement or transactions **at arm's length basis: As per table below during the FY 2022-23**

<b>Name(s) of the related party and nature of relationship</b>	<b>Nature of contracts/ arrangements/ transactions</b>	<b>Duration of the contracts/ arrangement/ transactions</b>	<b>Salient terms of the contracts or arrangements or transactions including the value, if any</b>	<b>Date(s) of approval by the Board</b>	<b>Amount paid as advances, if any</b>
Alkoxide Fine Chem Private Limited (Company in which Promoter Director's relative is a Director & Member)	Purchase of Raw materials	One Year - As per Omnibus approval of Audit Committee	Purchase of raw materials were done at Arm's length pricing and in the ordinary course of business of Company, aggregating to Rs. 8.3 Million during the FY 2022-23	Omnibus approval of Audit committee dated 16/05/2022	NIL
Globe Biocare (Entity in which Promoter Directors are partners)	Payment of rent for providing parking space	One Year - As per Omnibus approval of Audit Committee	Payment of rentals for providing parking space to company were done at Arm's length pricing and in the ordinary course of business of Company, aggregating to Rs. 2.4 Million during the FY 2022-23	Omnibus approval of Audit committee dated 16/05/2022	NIL
Hare Krishna Bath Fittings LLP (Entity in which Promoter Director's relative is a partner)	Purchase of items of bath accessories	One Year - As per Omnibus approval of Audit Committee	Purchase of some items of bath accessories were done at Arm's length pricing and in the ordinary course of business of Company. aggregating to Rs. 0.09 million during the FY 2022-23	Omnibus approval of Audit committee dated 16/05/2022	NIL
Ami Organics Electrolytes Private Limited (Wholly Owned Subsidiary Company)	Share Subscription Money	As per Board Approval	Company has incorporated wholly owned subsidiary company and subscribed 100% of share capital of Rs. 0.1 Million.	As per Board Approval dated 15/07/2022	NIL
Ami Organics Electrolytes Private Limited (Wholly Owned Subsidiary Company)	Loan Given & Interest Receivable	As per Board Approval – 10 Crore Limit	Working Capital loan was given to wholly owned subsidiary amounting Rs. 2.1 Million during FY 2022-23 at the prevailing Bank rates. Interest Received Rs. 0.072 million.	As per Board Approval dated 27/09/2022	NIL
Ekta Kumari Srivastava (Key Managerial Personnel)	Sale of Residential Property	To be completed within six months of approval of Board.	Company entered into agreement for sale of its Residential property situated in Sachin, Surat at arm's length price of Rs. 2.9 Million based upon Valuation Report of Registered Valuer. The sale transaction has been completed as on July 6, 2023.	As per Audit Committee & Board Approval dated February 4, 2023	Rs. 0.05 Million

**For and on behalf of the Board of Directors**

Sd/-  
**Nareshkumar R. Patel**  
 Managing Director  
 DIN : 00906232

## Annexure III

Details pertaining to remuneration 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:

**A. Ratio of the remuneration of each director to the median remuneration of the employees of the Company for the Financial Year and the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the Financial Year.**

Median Remuneration of Employee for the financial year 2022-23 is Rs. 2,93,220 /-

Other details are mentioned below:

Name of Director/ Key Managerial Personnel	Designation	% Increase in Remuneration in the FY 2022-23	Ratio of Remuneration of each Director to Median remuneration of employee
Mr. Nareshkumar R Patel	Executive Chairman & Managing Director	10%	159:1
Mr. Chetankumar C. Vaghisia	Whole Time Director	10%	157:1
Mr. Virendra Nath Mishra	Whole Time Director	54%	45:1
Mr. Ram Mohan Lokhande	Whole Time Director	10%	41:1
Mr. Hetal Madhukant Gandhi	Independent Director	NA	7:1
Mr. Girikrishna Maniar	Independent Director	NA	7:1
Ms. Richa Manoj Goyal	Independent Director	NA	3:1
Dr. Anita Bandyopadhyay	Independent Director	NA	3:1
Mr. Abhishek Patel*	Chief Financial Officer	NA	2:1
Mr. Bhavin N. Shah**	Chief Financial Officer	NA	14:1
Ms. Ekta Kumari	Company Secretary	20%	4:1

\*Abhishek Patel resigned from the post of Chief Financial Officer with effect from June 01, 2022 hence, no increment was given during the financial year 2022-23.

\*\* Mr. Bhavin N. Shah has been appointed as Chief Financial Officer with effect from June 01, 2022 hence, no increment was given during the financial year 2022-23.

Note: Remuneration to Non-executive & Independent Directors includes sitting fees and profit based commission.

**B. The Percentage increase in median remuneration of employees in FY 2022-23: 15%**

by Board of Directors and is in line with the Nomination and Remuneration Policy of Company. The same is commensurate with the expertise and acumen and delivery of exceptional performance results.

**C. Number of permanent employees on the rolls of the Company.**

As on March 31, 2023 total number of permanent employees: 602 Employees.

**E. The Key parameters for any variable component of remuneration availed by the directors:**

During the year under review, Performance Bonus amounting to Rs. 0.83 Million was given to Mr. Ram Mohan Lokhande based on the recommendation of the Nomination and Remuneration Committee and approved by the Board of Directors of the Company. The key parameters considered were accomplishment of his key responsibility areas, achievement of growth targets w.r.t to turnover, introduction of new technology in operations, successful implementation of continuous flow technology, etc.

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

The average increase in remuneration in salaries of employees other than managerial person is 15%. The average increase in remuneration of managerial personnel in the last financial year has been recommended by Nomination and Remuneration committee and approved

**F. Affirmation that the remuneration is as per the remuneration policy of the Company.**

It is affirmed that the remuneration of Directors and key managerial personnel was in accordance with the remuneration policy of the Company.

**5.2 Name of the Top Ten Employees in terms of remuneration drawn and the name of every employee who**

- i. If employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than one crore and two lakhs rupees. **NIL**
- ii. if employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a

rate which, in the aggregate, was not less than eight lakh and fifty thousand rupees per month. **NIL**

- iii. If employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company. **NIL**

**Details of the Top Ten Employees in terms of remuneration drawn during FY 2022-23:**

<b>Sr. No.</b>	<b>Name</b>	<b>Designation</b>	<b>Remuneration Received (In million)</b>	<b>Qualification &amp; Experience</b>	<b>Age</b>	<b>Last Employment held</b>	<b>% of equity shares held</b>	<b>Whether is a relative of any director or manager</b>
1.	Ajit Chaubey	President Technical	6.03	M.Sc. & Ph.d. 45 years	67	IPCA Labs	NIL	NO
2.	Sanjay Vasoya	Assistant Vice President	5.46	M.Sc. & Ph.d. 22 years	48	Teva API India Pvt. Ltd.	NIL	NO
3.	Bhavin Shah	Chief Financial Officer	4.44	C.A. 20 years	45	Sun Pharma Advanced Research Co. Ltd.	NIL	NO
4.	Trilok Sontakke	Senior General Manager	4.17	B.E. – Chemical Engineering – 21 years	42	Dr. Reddy's Laboratories Ltd.	NIL	NO
5.	Hemant Patel	Senior General Manager	3.45	M. Phil – 32 years	51	Arkay Healthcare Pvt. Ltd.	NIL	NO
6.	Gaurav Bhandari	Senior Manager	2.64	PGDM- Marketing 13 years	34	Star Rays	NIL	NO
7.	Sarvesh Kumar Sharma	Assistant General Manager	2.63	M.Sc. 28 years	52	Teva API India Pvt. Ltd.	NIL	NO
8.	Amritlal Patel	Senior Manager	2.60	B.Sc.- Chemistry, PDIS 27 years	49	SE Electricals Ltd. (Suzlon Group)	NIL	NO
9.	Akshay Kumar Tripathi	AGM – Operations	2.56	M.Sc. 25 years	47	Sanskriti Industries	NIL	NO
10.	Prakash Choudhary	Senior Manager	2.22	B.E. Mechanical Engineer 21 years	44	Alembic Pharmaceuticals Ltd.	NIL	NO

**For and on behalf of the Board of Directors**

Sd/-

**Nareshkumar R. Patel**

Managing Director

DIN : 00906232

Date : August 25, 2023

Place : Surat

## Annexure IV

### Statement of particulars of employees pursuant to Section 134 of the Companies Act, 2013 and forming part of the Directors' Report for the year ending March 31, 2023 employed for whole of the year

The particulars of employee in the Company drawing remuneration aggregating to Rs. 8.50 lacs or above per month or Rs. 1.02 crore or above per annum Employee -NIL and KMP as under:

Particulars	Name of Employee / KMP			
	Nareshkumar R. Patel	Chetankumar Vaghisia	Ram Mohan Lokhande	Virendra Nath Mishra
Designation of the Employee / KMP	Managing Director	Whole Time Director	Whole Time Director	Whole Time Director
Remuneration Received during FY 2022-23	4.69 Crores	4.62 Crores	1.21 crores	1.32 crores
Nature of Employment, whether contractual / otherwise	As per appointment letter for five years term	As per appointment letter for five years term	As per appointment letter for five years term	As per appointment letter for five years term
Qualification and experience of the Employee	BE, Chemical	Diploma	B.E. Chemical	MSc Chemistry
Date of commencement of employment	12/06/2007	12/06/2007	08/02/2022	03/03/2021
The age of the employee	48 years	48 years	45 years	52 years
The last employment held by such employee before joining the Company	Self - Employed	Self-Employed	ZCL chemicals	Surya Organics & Chemicals
The percentage of equity shares held by the employee in the company within the meaning of clause (iii) of sub - rule (2) of Rule 5	10.99%	8.50%	NIL	0.91%
Whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager	No	No	No	No

## Annexure V

### ANNUAL REPORT ON CSR ACTIVITIES

[Pursuant to Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended]

#### 1. Brief outline on Corporate social Responsibility (“CSR”) Policy of the Company.:

Ami Organics Limited is a socially responsible company that works with communities, NGO partners and Institutions to meet the CSR goals as follows:

- To make CSR a key business process for sustainable development for the Society.
- To aim at supplementing the role of the Government in enhancing welfare measures of the society based on the immediate and long term social and environmental consequences of their activities.
- To directly or indirectly take up programs that benefit the communities in vicinity wherever the Company operates and results, over a period of time, in enhancing the quality of life & economic wellbeing of the local populace.
- Contributing to sustainable development in areas of strategic interest through initiatives designed in a manner that addresses the challenges faced by the Indian society especially in rural India.

#### 2. Composition of CSR Committee:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the FY 2022-23	Number of meetings of CSR Committee attended during the year FY 2022-23
1.	Mrs. Richa M. Goyal	Chairperson -Independent Director	2	2
2.	Mr. Nareshkumar R. Patel	Member – Managing Director	2	2
3.	Mr. Chetankumar C. Vaghisia	Member –Whole Time Director	2	2

- Provide the web-link where composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: <http://www.amiorganics.com/csr.html>
- Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report). **Not Applicable**
- Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: **Rs. 34,724/-**
- Average net profit of the company as per section 135(5): **Rs. 66,23,32,768/-**
- (a) Two percent of average net profit of the company as per section 135(5): **Rs. 1,32,46,655/-**  
 (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **Rs. 34,724/-**  
 (c) Amount required to be set off for the financial year, if any: **Rs. 34,724/-**  
 (d) Total CSR obligation for the financial year (7a+7b-7c): **Rs. 1,32,11,931/-**
- (a) CSR amount spent for the financial year: **Rs. 1,37,21,488/-**  
 (b) Details of CSR amount spent against ongoing projects for the financial year: **NIL**  
 (c) Details of CSR amount spent against other than ongoing projects for the financial year: **As under**

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
				Location of the project.							Mode of Implementation - Through Implementing Agency	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No).	State.	District.	Project duration	Amount allocated for the project (in Rs.).	Amount spent in the current financial Year (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation - Direct (Yes/ No).	Name	CSR Registration number.
1.	Rural Development and Livelihood Programme	Rural Development	N	Vadodara, Gujarat	-	5,00,000	5,00,000	0	No	Shree Gujarat Vanvsi Kalyan Parishad	CSR00025389	
2.	Providing Healthcare, hygiene & sanitation facilities from migrant labours in Surat	Healthcare including preventive healthcare	Y	Surat	-	25,00,000	25,00,000	0	No	Guru Maa Mahila Grah Udyog Samiti	CSR00005145	
2.	B K Jain Trauma & Physio Centre	Healthcare including preventive healthcare	N	Firozabad, UP	-	50,00,000	50,00,000	0	No	Sevarth Santhan Seth	CSR00006617	
3.	Coaching and education for Competitive Examination for needy children	Education	Y	Surat, Gujarat	-	2,50,000	2,50,000	0	No	GCSA Foundation	CSR00029928	
4.	Women Empowerment, Skill Development and Livelihood enhancement programme	Skill development	N	Ahmedabad, Gujarat	-	20,00,000	20,00,000	0	No	Shree Brahmani Charitable Trust	CSR00032296	
5.	Education for children & Youth including construction of Building for school and Hostel	Promoting Education	N	Ahmedabad, Gujarat	-	20,00,000	20,00,000	0	No	Raika Education Charitable Trust	CSR00048495	
6.	Education Project in tribal areas of Gujarat – "One Teacher School"	Promoting Education	N	Gujarat	-	3,30,000	3,30,000	0	No	Friends of Tribal Society	CSR00001898	
7.	Plantation of trees for creating green belt at Jhagadia	Environment	Y	Bharuch, Gujarat	-	1,53,058	1,53,058	0	Yes	-	-	
8.	Distribution of healthcare kit, books and stationaries, foodgrains & clothes items	Rural Development	N	Valsad, Gujarat	-	1,24,709	1,24,709	0	Yes	-	-	
9.	Distribution of educational books for children in association with Rotary Club of Surat	Promoting Education	Y	Surat, Gujarat	-	2,71,000	2,71,000	0	Yes	-	-	
10.	Payment of School fees for needy children	Promoting Education	Y	Surat, Gujarat	-	1,35,020	1,35,020	0	Yes	-	-	
11.	Medical Expense for needy person	Healthcare including preventive healthcare	Y	Surat, Gujarat	-	3,57,701	3,57,701	0	Yes	-	-	
12.	Sanitation in local area	Sanitation & Hygiene	Y	Surat, Gujarat	-	1,00,000	1,00,000	0	Yes	-	-	
<b>TOTAL</b>						<b>13721488</b>	<b>13721488</b>					

- (d) Amount spent in Administrative Overheads : **Nil**
- (e) Amount spent on Impact Assessment, if applicable : **Nil**
- (f) Total amount spent for the Financial Year (8b+8c+8d+8e) : **Rs. 1,37,21,488/-**
- (g) Excess amount for set off, if any : **Rs. 5,09,557/-**

Sr. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	1,32,46,655
	Amount spent in respect of preceding years unspent CSR	NIL
	Amount available for set off in respect of excess spent in Previous year 2021-22	34,724
	Amount required to be spent in respect of current year CSR plus PY unspent CSR	1,32,11,931
(ii)	Total amount spent in the Financial Year 2022-23	1,37,21,488
(iii)	Excess amount spent for the financial year [(ii)-(i)]	5,09,557
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	5,09,557

- 9. (a) Details of Unspent CSR amount for the preceding three financial years: **Nil**
- (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): **Nil**
- 10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year : **Nil**
- 11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5) : **Not Applicable.**

For and on behalf of the CSR Committee  
**Ami Organics Limited**

Sd/-  
**Nareshkumar R. Patel**  
(DIN: 00906232)  
Managing Director & Member

Sd/-  
**Richa Goyal**  
(DIN :00159889)  
Independent Director & Chairperson of CSR Committee

Date : July 22, 2023  
Place : Surat

## Annexure VI

### Secretarial Audit Report

(For the Financial year ended on 31st March, 2023)

[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,  
**Ami Organics Limited**  
Plot No. 440/4, 5 & 6,  
Road No. 82/A, GIDC  
Sachin, Surat 394230

Dear Sirs,

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practice by **Ami Organics Limited**, having CIN: L24100GJ2007PLC051093 (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, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2023, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company, for the financial year ended on 31st March, 2023, according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder.
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment and External Commercial Borrowings.
5. 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.
- d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2021.
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2021. – Not Applicable to the Company during the Audit Period;
- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009. – Not Applicable to the Company during the Audit Period; and
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018. – Not Applicable to the Company during the Audit Period;

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

- (i) Secretarial Standards (SS-1 and SS-2) issued by The Institute of Company Secretaries of India.
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. ("Listing Regulations")

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

Further, as per representation of management letter, considering its nature of business, process and location, the following Acts are specifically applicable to the Company. There are adequate systems and processes in the company to monitor and ensure compliance.

- (i) The Water (prevention and control of pollution) Act, 1974 & Rules.

- (ii) Air (Prevention & Control of Pollution) Act, 1981 & Rules.
- (iii) Environment Protection Act, 1986 & Rules.
- (iv) Hazardous Waste (Management & Handling) Rules, 1989.
- (v) Indian Boiler Regulations, 1950

**We further report that;**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least 7 days in advance or by giving shorter notice and agenda with the consent of all the directors, 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.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were carried through on the basis of majority and there were no dissenting views.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For **Kashyap Shah & Co.**  
Practising Company Secretaries

Sd/-

**(Kashyap Shah)**  
Proprietor

FCS No. 7662; CP No. 6672

UDIN:- F007662E000866861

PR No. 1378/2021

Place: Vadodara  
Date: August 25, 2023

## Annexure A to Secretarial Audit Report

To,  
The Members,  
**Ami Organics Limited**  
Plot No. 440/4, 5 & 6,  
Road No. 82/A, GIDC  
Sachin, Surat 394230

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 the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and the practices, we followed provided 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. The Compliance of applicable financial laws like direct and indirect laws have not been reviewed in this Audit since the same have been subject to review by Statutory Financial Audit and Other designated professionals.
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 procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For **Kashyap Shah & Co.**  
Practising Company Secretaries

Place: Vadodara  
Date: August 25, 2023

Sd/-  
**(Kashyap Shah)**  
Proprietor  
FCS No. 7662; CP No. 6672

## Annexure VII

### Secretarial Compliance Report

**(For the Financial year ended on 31st March, 2023)**

Secretarial Compliance Report of Ami Organics Limited for the year ended on 31st March, 2023

We have conducted the review of the compliance of the applicable statutory provisions and the adherence to good corporate practices by Ami Organics Limited (hereinafter referred as 'the listed entity'), having its Registered Office at Plot no. 440/4, 5 & 6, Road No. 82/A, GIDC Sachin, Surat 394230. Secretarial Review 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 listed entity's books, papers, minutes books, forms and returns filed and other records maintained by the listed entity and also the information provided by the listed entity, its officers, agents and authorized representatives during the conduct of Secretarial Review, we hereby report that in our opinion, the listed entity has, during the review period covering the financial year ended on March 31, 2023, complied with the statutory provisions listed hereunder and also that the listed entity 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:

- (a) all the documents and records made available to us and explanation provided by Ami Organics Limited ("the listed entity"),
- (b) the filings/ submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity,
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification, for the year ended 31st March, 2023 ("Review Period") in respect of compliance with the provisions of:

We hereby report that, during the Review Period the compliance status of the listed entity is appended as below:

Sr. No.	Particular	Compliance Status (Yes/No/NA)	Observations/ Remarks by PCS*
1.	<b>Secretarial Standards:</b>  The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI), as notified by the Central Government under section 118(10) of the Companies Act, 2013 and mandatorily applicable.	Yes	
2.	<b>Adoption and timely updation of the Policies:</b> <ul style="list-style-type: none"> <li>• All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities</li> <li>• All the policies are in conformity with SEBI Regulations and have been reviewed &amp; updated on time, as per the regulations/circulars/guidelines issued by SEBI</li> </ul>	Yes	

Sr. No.	Particular	Compliance Status (Yes/No/NA)	Observations/ Remarks by PCS*
3.	<b>Maintenance and disclosures on Website:</b> <ul style="list-style-type: none"> <li>The Listed entity is maintaining a functional website</li> <li>Timely dissemination of the documents/ information under a separate section on the website</li> <li>Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re- directs to the relevant document(s)/section of the website</li> </ul>	Yes Yes Yes	
4.	<b>Disqualification of Director:</b> None of the Director(s) of the Company is/ are disqualified under Section 164 of Companies Act, 2013 as confirmed by the listed entity.	Yes	
5.	<b>Details related to Subsidiaries of listed entities have been examined w.r.t.:</b> <ul style="list-style-type: none"> <li>(a) Identification of material subsidiary companies</li> <li>(b) Disclosure requirement of material as well as other subsidiaries</li> </ul>	Yes Yes	As identified by the Listed Entity, there is no Material Subsidiary
6.	<b>Preservation of Documents:</b> The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015.	Yes	
7.	<b>Performance Evaluation:</b> The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year/during the financial year as prescribed in SEBI Regulations.	Yes	
8.	<b>Related Party Transactions:</b> <ul style="list-style-type: none"> <li>(a) The listed entity has obtained prior approval of Audit Committee for all related party transactions; or</li> <li>(b) The listed entity has provided detailed reasons along with confirmation whether the transactions were subsequently approved/ ratified/ rejected by the Audit Committee, in case no prior approval has been obtained.</li> </ul>	Yes Yes	
9.	<b>Disclosure of events or information:</b> The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.	Yes	
10.	<b>Prohibition of Insider Trading:</b> The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015.	Yes	
11.	<b>Actions taken by SEBI or Stock Exchange(s), if any:</b> No action(s) has been taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder except as provided under separate paragraph herein.	Yes	
12.	<b>Additional Non-compliances, if any:</b> No additional non-compliance observed for any SEBI regulation/circular/ guidance note etc.	Yes	

Compliances related to resignation of statutory auditors from listed entities and their material subsidiaries as per SEBI Circular CIR/CFD/CMD1/114/2019 dated 18th October, 2019:

Sr. No.	Particular	Compliance Status (Yes/No/NA)	Observations/ Remarks by PCS*
1.	<b>Compliances with the following conditions while appointing/re-appointing an auditor</b>		
	i. If the auditor has resigned within 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter; or	NA	There was no Resignation by Auditor during the review period.
	ii. If the auditor has resigned after 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter as well as the next quarter; or	NA	
	iii. If the auditor has signed the limited review/ audit report for the first three quarters of a financial year, the auditor before such resignation, has issued the limited review/ audit report for the last quarter of such financial year as well as the audit report for such financial year.	NA	
2.	<b>Other conditions relating to resignation of statutory auditor</b>		
	i. <b>Reporting of concerns by Auditor with respect to the listed entity/its material subsidiary to the Audit Committee:</b>	N.A.	There was no resignation by the Auditor during the review period.
	(a) In case of any concern with the management of the listed entity/material subsidiary such as non-availability of information / non-cooperation by the management which has hampered the audit process, the auditor has approached the Chairman of the Audit Committee of the listed entity and the Audit Committee shall receive such concern directly and immediately without specifically waiting for the quarterly Audit Committee meetings.		
	(b) In case the auditor proposes to resign, all concerns with respect to the proposed resignation, along with relevant documents has been brought to the notice of the Audit Committee. In cases where the proposed resignation is due to non-receipt of information / explanation from the company, the auditor has informed the Audit Committee the details of information/ explanation sought and not provided by the management, as applicable.		
	(c) The Audit Committee / Board of Directors, as the case may be, deliberated on the matter on receipt of such information from the auditor relating to the proposal to resign as mentioned above and communicate its views to the management and the auditor.		
	ii. <b>Disclaimer in case of non-receipt of information:</b>		
	The auditor has provided an appropriate disclaimer in its audit report, which is in accordance with the Standards of Auditing as specified by ICAI / NFRA, in case where the listed entity/ its material subsidiary has not provided information as required by the auditor.	N.A.	There was no resignation by the Auditor during the review period.
3.	The listed entity / its material subsidiary has obtained information from the Auditor upon resignation, in the format as specified in Annexure- A in SEBI Circular CIR/ CFD/CMD1/114/2019 dated 18th October, 2019.	NA	There was no resignation by the Auditor during the review period.

(a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:- NIL

Sr. No.	Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action Advisory/ Clarification/ Fine/ Show Cause Notice/ Warning, etc.	Details of Violation	Fine Amount	Observations/ Remarks of the Practicing Company Secretary	Management Response	Remarks
-NIL										

(b) The listed entity has taken the following actions to comply with the observations made in previous reports: Nil

Sr. No.	Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action Advisory/ Clarification/ Fine/ Show Cause Notice/ Warning, etc.	Details of Violation	Fine Amount	Observations/ Remarks of the Practicing Company Secretary	Management Response	Remarks
-NIL										

**Assumptions & Limitation of scope and Review:**

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.
2. Our responsibility is to certify based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.
3. We have not verified the correctness and appropriateness of financial Records and Books of Accounts of the listed entity.
4. This Report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

For **Kashyap Shah & Co.**  
Practising Company Secretaries

Sd/-

**Kashyap Shah**

Proprietor

FCS No. 7662; CP No. 6672

UDIN: F007662E000300680

PR No. 1378/2021

Place: Vadodara

Date: May 13, 2023

# Report on Corporate Governance

Corporate Governance is about promoting fairness, transparency, accountability, commitment to values, ethical business conduct and considering all stakeholders' interest while conducting business. In accordance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments thereto (the 'SEBI Listing Regulations'), given below are the corporate governance policies and practices of Ami Organics Limited (the 'Company') for FY2022-23.

This report outlines compliance with requirements of the Companies Act, 2013, as amended, (the 'Act') and the SEBI Listing Regulations, as applicable to the Company. As will be seen, the Company's corporate governance practices and disclosures go well beyond complying with the statutory and regulatory requirements stipulated in the applicable laws.

## COMPANY'S PHILOSOPHY:

Company believes in continuous good corporate governance and always strives to improve performance by adhering to good corporate governance practices, such as managing its affairs with diligence, transparency, responsibility and accountability. We have, therefore, designed our systems and action plans to enhance performance and stakeholders' value in the long run by making management completely transparent and institutionally sound.

Company has always believed in the concept of good Corporate Governance involving transparency, empowerment, accountability and integrity with a view to enhancing stakeholder value. The Company has professionals on its Board of Directors who are actively involved in the deliberations of the Board on all important policy matters.

Our endeavour is to adopt the best governance and disclosure practice by providing the timely and accurate information regarding the financial situation, performance, ownership and governance of the Company. We believe that the good corporate governance practices, is a key driver to sustainable corporate growth and long-term value creation for the shareholders/stakeholders.

## Key elements of Ami Organics' Corporate Governance

- Compliance with applicable laws.
- Proactive adherence to the applicable SEBI Regulations.
- Number of Board and Committee meetings more than the statutory requirement, including meetings dedicated for discussing environment, strategy, operating plans and risks.
- The Company's Board comprises of directors from diverse background and substantial experience, who are able to provide appropriate guidance to the executive management as required.
- Audit Committee and Nomination & Remuneration committee entirely comprising of independent Board members.

- Pre-Audit Committee meetings is conducted with statutory auditors, internal auditor and members of executive management who are the process owners.
- Separate meeting of independent directors without the presence of non-independent directors or executive management.
- Confidential Board evaluation process where each Board member evaluates the performance of every director, Committees of the Board, the Chairman of the Board and the Board itself.
- Adoption of key governance policies and codes by the Board in line with best practices, which are made available to stakeholders for downloading/viewing from the Company's website. This inter-alia includes:
  - Whistle-Blower Policy/vigil mechanism;
  - Policy on Materiality of and dealing with Related Party Transactions;
  - Code of Conduct for directors and senior management;
  - Dividend Distribution Policy;
  - A gender neutral policy on Prevention of Sexual Harassment at workplace;
  - Corporate Social Responsibility Policy;
  - Remuneration Policy;
  - Policy for determining Material Subsidiaries;
  - Code of ethics and personal conduct;
  - Responsible and Sustainable Business Conduct Policy;

## 1. BOARD OF DIRECTORS:

The Board has the ultimate responsibility for the management, general affairs, direction, performance and long-term success of business as a whole. The Managing Director & Whole Time Directors looks after the day-to-day business affairs of the Company. The Board reviews the overall business operations at least once in a quarter based on updates on the Company's performance provided by the Chief Financial Officer, Managing Director & Whole Time Directors.

Keeping with the commitment to the principles of integrity and transparency in business operations and good corporate governance, the Company's policy is to have an appropriate blend of independent and non-independent directors to maintain the independence of the Board and to separate the Board functions of governance and management.

The responsibilities of the Board, inter alia, include formulation of overall strategy for the Company, reviewing major plan of actions, setting performance objectives,

laying down the Code of Conduct for all members of the Board and the senior management team, formulating policies, performance review, monitoring due compliance with applicable laws, reviewing and approving the financial results, enhancing corporate governance practices, environment and risk management systems and ensuring the best interest of the shareholders, the community, environment and its various stakeholders.

#### **COMPOSITION: -**

The Company has an optimum combination of executive and non-executive directors. The Composition of the Board, with reference to the number of Executive and Non-Executive Directors, meets with the requirements of the SEBI Listing Regulations.

The Board is headed by the Executive Chairman & Managing Director, Mr. Nareshkumar Ramjibhai Patel, who is also a promoter Director. The Company's Board at present has eight (8) Directors comprising one Executive Chairman and Managing Director, three (3) Whole Time Directors and four (4) Non-Executive & Independent Directors (including two-women Independent Directors). The Board does not have any institutional nominee director.

The Non-Executive Independent Directors fulfil the conditions of independence specified in Section 149(6) of the Companies Act, 2013 and Listing Regulations. The terms and conditions stating the appointment of Independent Directors as provided in Companies Act, 2013 and the Listing Regulations has been issued and disclosed on the website of the Company at <http://www.amiorganics.com/corporate-policies.html>

None of the Directors on the Board is a Member on more than 10 Committees and Chairman of more than 5 Committees across all the companies in which he/she is a Director. All the Directors have made the requisite disclosures regarding Committee positions occupied by them in other companies.

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

In the opinion of the Board, the Independent Directors continue to fulfil the criteria prescribed for an Independent Director as stipulated in Regulation 16(1)(b) of the SEBI Listing Regulations and Section 149(6) of the Act. None of the directors are disqualified under section 164 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014.

Mr. Virendra Nath Mishra, Whole Time Director (DIN: 07815490) who retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

#### **BOARD SKILLS / EXPERTISE / COMPETENCIES: -**

Ami Organics' Board is a skill-based board comprising of Directors who collectively have the skills, knowledge and experience to effectively govern and direct the organisation.

The Board has identified the below mentioned core skills / expertise / competencies in the context of the business and the sector in which the Company is operating, for the Company to function effectively.

General Business	Manufacturing, Operations, marketing, Business Management, R & D, Finance, Operations, Taxations, Banking, Legal and Human resources, leadership development etc.
Global Business	Understanding, of global business dynamics, across various geographical markets, industry verticals and regulatory jurisdictions
Strategy and Planning	Appreciation of long-term trends, strategic choices and experience in guiding and leading management teams to make decisions.
Governance	Experience in developing governance practices, serving the best interests of all stakeholders, maintaining board and management accountability, building long-term effective stakeholder engagements and driving corporate ethics and values.

The above core skills, expertise and competencies identified by the Company are available with all of the Board of Directors in their individual capacities.

#### **BOARD MEETINGS / DIRECTORS' PARTICULARS: -**

In compliance with regulation 17 of the Listing Regulations and as required under the Act, the Board meets at least once in each quarter and the gap between any two Board meetings was not more than 120 days during the FY 2022-23.

During the year under review, 8 (Eight) Board meetings were held as per following table: -

Date of the Meeting	Total Strength	No. of Directors' present
April 28, 2022	8	8
May 16, 2022	8	7
May 21, 2022	8	7
July 15, 2022	8	7
August 10, 2022	8	8
September 27, 2022	8	7
November 5, 2022	8	7
February 4, 2023	8	8

The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and at the last Annual General Meeting, as also the number of Directorships and Committee positions as held by them in other public limited companies as on 31st March, 2023 are given below:

<b>Name</b>	<b>Category</b>	<b>No. of Board Meetings Attended during 2022-23</b>	<b>Whether attended AGM held on August 9, 2022</b>	<b>No. of Directorships in other public limited companies</b>	<b>No. of Committee positions held in other public limited companies *</b>	
					<b>Chairman</b>	<b>Member</b>
Mr. Nareshkumar Patel (DIN: 00906232)	Executive Chairman & Managing Director	8/8	Yes	0	0	0
Mr. Chetankumar Vaghisia (DIN: 01375540)	Whole Time Director	7/8	Yes	0	0	0
Mr. Virendra Nath Mishra (DIN: 07815490)	Whole Time Director	7/8	Yes	0	0	0
Mr. Ram Mohan Lokhande (DIN: 08117035)	Whole Time Director	7/8	Yes	0	0	0
Mr. Girikrishna Maniar (DIN: 07515981)	Non-Executive & Independent Director	8/8	Yes	0	0	0
Mr. Hetal Gandhi (DIN: 00106895)	Non-Executive & Independent Director	7/8	Yes	4	2	2
Mrs. Richa Goyal (DIN: 00159889)	Non-Executive & Independent Director	8/8	Yes	4	0	3
Dr. Anita Bandyopadhyay (DIN: 08672071)	Non-Executive & Independent Director	7/8	Yes	2	1	0

\* Other Board Committees mean Audit Committee and Stakeholders' / Investors' Relationship Committee

The following table gives the names of the listed entities where the Directors of the Company are Director and the category of their respective directorship:

<b>Sr. No.</b>	<b>Name of the Director</b>	<b>Name of the listed companies in which the Director of the Company is a Director</b>	<b>Category of Directorship in the listed companies</b>
1.	Mr. Nareshkumar Patel	N.A	N.A
2.	Mr. Chetankumar Vaghisia	N.A	N.A
3.	Mr. Virendra Nath Mishra	N.A	N.A
4.	Mr. Ram Mohan Rao Locande	N.A	N.A
5.	Mr. Girikrishna Maniar	N.A	N.A
6.	Mr. Hetal Gandhi	Chalet Hotels Limited Shilpa Medicare Limited Syrma SGS Technology Limited Singer India Limited	Non-Executive & Independent Director Non-Executive & Independent Director Non-Executive & Independent Director Non-Executive Director
7.	Mrs. Richa Goyal	Shahlon Silk Industries Limited Bikaji Foods International Limited	Non-Executive & Independent Director Non-Executive & Independent Director
8.	Dr. Anita Bandyopadhyay	Speciality Restaurants Limited Shilpa Medicare Limited	Non-Executive & Independent Director Non-Executive & Independent Director

#### **FAMILIARIZATION PROGRAMME FOR DIRECTORS:**

Regulation 25(7) of the SEBI (LODR) Regulations mandates the Company to familiarize the Independent Directors about the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company etc. through various programmes. The Company through its Managing Director/ Whole time Director/ Senior Managerial Personnel periodically familiarize the Independent Directors with the strategy, business and operations of the Company.

Such programmes/presentations provides an opportunity for the Independent Directors to interact with the senior leadership team of the Company and help them to understand the Company's strategy, business model, operations, services and product offerings, organization structure, finances, sales and marketing, human resources, technology, quality of products, facilities and risk management and such other areas as may arise from time to time.

The above programme also includes the familiarization on statutory updates and compliances as a Board member

including their roles, rights and responsibilities. The Familiarization programme for Independent Directors is uploaded on the website of the Company: <http://www.amiorganics.com/corporate-policies.html>

At the time of appointing a Director, a formal letter of appointment is given to him / her, which inter alia explains the role, function, duties and responsibilities expected from him/her as a Director of the Company. The Director is also explained in detail about the Compliances required from him/her under the Companies Act, 2013, SEBI (LODR) Regulations 2015 and other relevant provisions and affirmation is taken with respect to the same.

Further, the Company has put in place a system to familiarize the Independent Directors about the Company, its products, its business and the ongoing events relating to the Company.

#### **EVALUATION: -**

During the year, the Board has carried out evaluation of its own performance and the performance of the committees of the Board, individual Directors and the Chairman of the Board. The Board has evaluated the composition of Board, its committees, experience and expertise, performance of specific duties and obligations, governance matters, etc. with an aim to improve their effectiveness. Performance review of Board as a whole, individual Executive Directors and the Board Chairman was also carried out by Independent Directors at their separate meeting, inter alia covering respective attendance at Board / Committee meetings, contributions at the meetings, circulation of sufficient documents and information to the Directors, timely availability of the agenda, etc.

Further, the Board has carried out the evaluation of the Independent Directors, which included the performance of the Independent Directors and fulfilment of the independence criteria as specified in the Listing Regulations and their independence from the management. The Directors who were subject to evaluation did not participate in the proceedings of the meeting.

#### **ORDERLY SUCCESSION TO BOARD AND SENIOR MANAGEMENT:**

One of the key functions of the Board of directors is selecting, compensating, monitoring, and when necessary, replacing key managerial personnel and overseeing succession planning. Pursuant to regulation 17(4) of the SEBI Listing Regulations, the framework of succession planning for appointment of Board/senior management is placed before the Board for its review from time to time.

During the year under review, the Board was updated, inter alia, on the following:

- Framework to address anticipated, as well as unscheduled changes in leadership;
- Process of revising the succession plan;
- Programmes through which high performing talents are identified;
- Series of interventions and experiential environments to develop their leadership qualities and skills;
- Keeping in line with the principles of governance, how the changes are planned from time to time in the Board of Directors, Board committees and the top management as part of succession planning.

Company has identified Senior Management Persons of the Company as per the list below :

<b>Sr. No.</b>	<b>Name</b>	<b>Designation</b>	<b>Functional Head</b>
1.	Bhavin N. Shah – KMP	Chief Financial Officer	Accounts, Finance & Taxation
2.	Ekta K Srivastava - KMP	Company Secretary & Compliance Officer	Compliance, Secretarial & Legal
3.	Dr. Ajit Choubey	President Technical	Head Research & Development
4.	Hemant Patel	Sr. General Manager - HR	Human resource, Labour & Welfare
5.	Gaurav Bhandari	Sr. Manager Marketing	Marketing & Business Development
6.	Nainesh Desai	Sr. Manager Purchase	Purchase & Procurement
7.	Sanjay Vasoya	Asst VP R&D	Research & Development
8.	Jayesh Khatri	AGM QC	Quality Control
9.	Manhar Patel	AGM Logistic	Supply Chain & Logistics
10.	Satish Revankar	Dy. GM IT	Head – IT & Information Security
11.	Vinay Patel	Asst. General Manager	Quality Assurance
12.	Dishank Oza	General Manager -P & I	Project & Instrumentation
13.	Akshay Tripathi	Asst. General Manager-Operations	Head Production – Unit 1
14.	Trilok Sontakke	Sr. General Manager TSD	Technology Support
15.	Sarvesh Kumar	Asstt. General Manager Pilot Plant	Pilot Plant
16.	Muniruddin Malek	Sr. Manager	Head – Unit II Ankleshwar
17.	Jitendra Mishra	Sr. Manager	Head – Unit III Jhagadia

There has been no change in the Senior Management Persons of the Company since the close of the previous financial year 2022-23.

## 2. COMMITTEES OF THE BOARD:

The Board currently has the following Committees

- A. Audit Committee
- B. Nomination and Remuneration Committee
- C. Stakeholder Relationship Committee
- D. Corporate Social Responsibility Committee
- E. Risk Management Committee
- F. ESG Committee
- G. IPO Committee

### A. AUDIT COMMITTEE

In compliance with the provisions of section 177 of the Act and regulation 18 of the SEBI Listing Regulations, the Board has constituted an Audit Committee. The Statutory Auditors and Internal Auditors of the Company are regular invitees at the Audit Committee Meetings. The Audit Committee holds discussions with the Statutory Auditors on the “Limited Review” of the quarterly, half-yearly, nine months, the yearly Audit Plan, matters relating to compliance of Accounting Standards, their observations arising from the annual audit of the Company’s accounts and other related matters. Every quarter, the Audit Committee is presented with a summary of internal audit observations and follow up actions thereon. The terms of reference of Audit Committee includes the matters prescribed under Section 177 of the Companies Act, 2013 read with SEBI (LODR) Regulation, 2015.

The composition of the Audit Committee as at March 31, 2023:

Name of Director	Membership	Category
Mr. Girikrishna Maniar	Chairperson	Independent Director
Mr. Hetal Gandhi	Member	Independent Director
Mrs. Richa Goyal	Member	Independent Director

The Company Secretary acts as the Secretary to the committee.

The Audit Committee met six times during the year under review. The time gap between any two meetings

was less than 120 days. The details of the attendance of the members of the committee are as under:

Date of the Meeting	Total Strength	No. of Directors Present
May 16, 2022	3	3
May 21, 2022	3	3
August 10, 2022	3	3
November 5, 2022	3	3
February 4, 2023	3	3
March 30, 2023	3	3

### TERMS OF REFERENCE :

The terms of reference of the Audit Committee include the matters as prescribed under Section 177 of the Act read with applicable regulations of the SEBI Listing Regulations. The primary role of Audit Committee is to provide oversight of the financial reporting process, the audit process, the Company’s system of internal controls, all financial results, statements and disclosures and recommend the same to the Board; review the internal audit reports and discuss the same with the internal auditors; review internal control systems and procedures; evaluation of internal financial controls and risk management systems and their effectiveness; discussion with the statutory auditors on their findings, scope of audit, post audit discussion, auditor’s independence, adequacy of internal audit functions, audit qualifications, if any; to decided appointment, removal and remuneration of auditors; review of any changes in accounting policies and practices; reviewing approval and disclosure of all related party transactions; reviewing with the management the performance of the statutory and internal auditors and their remuneration; compliance with SEBI Listing Regulations, company law and other legal requirements and compliances; reviewing the Company’s financial and risk management plan, policies and its implementation; reviewing the functioning of vigil mechanism / whistle blower policy; and guidelines and internal control.

### B. NOMINATION & REMUNERATION COMMITTEE: -

In compliance with the provisions of section 178 of the Act and regulation 19 of the SEBI Listing Regulations, a Nomination and Remuneration Committee (“NRC”) has been duly constituted. All the members of the Nomination & Remuneration Committee are Independent Directors and have good exposure to finance as well as HR practices and general management.

The brief terms of reference of NRC as specified in clause A of Part D of Schedule II of the Listing Regulations *inter alia* contains:

- 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 and other employees
- Formulation of criteria for evaluation of performance of independent directors and the Board.
- Identifying persons who are qualified to become directors of the Company and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- Recommending the remuneration, in whatever form, payable to the Executive Directors and senior management personnel.
- Determining 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.
- Perform such functions as are required to be performed by the NRC committee under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.
- Performing such other activities as may be delegated by the Board and/or are statutorily prescribed under any law to be attended to by the Nomination and Remuneration Committee

#### Composition and Meetings: -

The composition of NRC as on March 31, 2023:

Name of Director	Membership	Category
Mr. Hetal Gandhi	Chairperson	Non-Executive & Independent Director
Mr. Girikrishna Maniar	Member	Non-Executive & Independent Director
Dr. Anita Bandyopadhyay	Member	Non-Executive & Independent Director

The Company Secretary acts as the Secretary to the committee. The Committee met three time during the year. The details of attendance of the Nomination and Remuneration Committee is outlined in the following table

Date of the Meeting	Total Strength	No. of Directors Present
May 21, 2022	3	3

Date of the Meeting	Total Strength	No. of Directors Present
June 28, 2022	3	3
December 15, 2022	3	3

I. Nomination and Remuneration Policy and details of remuneration paid / payable to the Directors for the year ended March 31, 2023:

The Board approved the Nomination and Remuneration Policy on the recommendation of Nomination and Remuneration Committee. The Nomination and Remuneration Policy was lastly revised by the Board, based on the recommendation of NRC, at its meeting held on April 28, 2021 and is available on the website of Company at [http://www.amiorganics.com/static/nomination\\_and\\_remuneration\\_policy.pdf](http://www.amiorganics.com/static/nomination_and_remuneration_policy.pdf). The salient aspects of the Policy are outlined below.

#### a. Objectives: -

1. To guide the Board in relation to the appointment and removal of Directors and Senior Management.
2. To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board, and
3. To recommend to the Board on remuneration payable to the Directors and Senior Management

#### b. Remuneration to the Independent / Non-Executive Directors:

1. An Independent / Non-Executive Director is paid sitting fees for each meeting of the Board or Committee of the Board attended by him / her, a sum of Rs. 30000/- for attending each meeting of Board and Committee as approved by the Board within the overall limits prescribed under the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.
2. An Independent / Non- Executive Directors is also paid commission on an annual basis of such sum as approved by the Board. The total commission payable to the Independent Directors does not exceed 1% of the net profit of the Company and subject to the limits approved by the members.
3. In determining the quantum of commission payable to the Independent / Non- Executive Directors, the NRC considers the overall performance of the Company and the responsibilities

required to be shouldered by the Independent / Non-Executive Directors.

4. An Independent / Non-Executive Directors is also reimbursed the expenses incurred by him / her for attending the Board and / or Committee meetings.
5. Apart from the above, there are no materially significant related party transactions, pecuniary transactions or relationships between the Company and its Directors except those disclosed in the financial statements for the year ended on March 31, 2023.

**c. Remuneration to Senior Management:**

Nomination & Remuneration Committee with the help of HR-Head carry out the individual

performance review based on the standard appraisal matrix and after taking into account the appraisal score card and other factors like—Key Performance Area v/s initiatives, balance between fixed and variable pay, criticality of roles and responsibilities industry benchmarks and current compensation trends in the market. Further, any promotion at a senior level management is approved by the Nomination & Remuneration Committee based on performance appraisal after assessing the candidate's capability to shoulder higher responsibility.

- d. Details of the remuneration / sitting fees paid / payable to the Independent / Non-Executive / Nominee Directors for the FY 2022-23 are given below:

**Remuneration to Managing Director, Whole-time Directors during FY 2022-23**

(in Lakhs)

Sr. No.	Particulars	Mr. Naresh Kumar Patel Managing Director	Mr. Chetan Kumar Vagharia Whole Time Director	Mr. Virendra Nath Mishra Whole Time Director	Mr. Ram Mohan Lokhande Whole Time Director	Total
1.	Gross Salary:	468.60	462.00	132.00	112.98	1175.58
	A. Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961					
	B. Value of perquisites under section 17(2) of the Income Tax Act, 1961					
	C. Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961					
2.	Stock Option	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-
4.	Commission	-	-	-	-	-
5.	Others, Specify (Performance Linked incentives)	-	-	-	8.3	8.3
<b>Total</b>		<b>468.60</b>	<b>462.00</b>	<b>132.00</b>	<b>121.28</b>	<b>1183.88</b>

**Remuneration to Other Directors:**

(Rs. In Lakhs)

Sr. No.	Name of the Director	Category	Sitting Fees	Commission	Total
1.	Mr. Girikrishna Maniar	Independent Director	5.70	14.30	20.00
2.	Mr. Hetal Gandhi	Independent Director	5.10	14.90	20.00
3.	Mrs. Richa Goyal	Independent Director	6.60	3.40	10.00
4.	Dr. Anita Bandyopadhyay	Independent Director	3.30	6.70	10.00

### C. STAKEHOLDER RELATIONSHIP COMMITTEE:

In compliance with the provisions of section 178 of the Act and regulation 20 of the Listing Regulations, the Board has formed a Stakeholders' Relationship Committee:

#### Terms of Reference:

The Committee is empowered to perform all the functions of the Board in relation to approval and monitoring of transfer, transmission, transposition, dematerialization, rematerialization, issue of duplicate share certificates, splitting and consolidation of shares issued by the Company.

The Stakeholders' Relationship Committee reviews the Redressal of grievances of stakeholders, requests / complaints of the shareholders related to transfer of shares dematerialization of shares, non-receipt of annual reports, non-receipt of dividend or revalidation of expired dividend warrants / cheques, recording the change of address, nomination, etc.

The role of the Stakeholders' Relationship Committee as specified in Part D of the Schedule II of the Listing Regulations has been included in the terms of reference of the Stakeholders Relationship Committee.

#### Brief Terms of Reference of Stakeholders Relationship Committee

- a. Redressal of all security holders' and investors' grievances such as complaints related to transfer of shares, including non-receipt of share certificates and review of cases for refusal of transfer/transmission of shares and debentures, non-receipt of balance sheet, non-receipt of declared dividends, non-receipt of annual reports, etc., and assisting with quarterly reporting of such complaints.
- b. Considering and looking into various aspects of interest of shareholders, debenture holders and other security holders
- c. Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities
- d. Giving effect to all transfer/transmission of shares and debentures, dematerialisation of shares and re-materialisation of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time

- e. Reviewing the 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

#### Composition:

The composition of the SRC Committee as at March 31, 2023 and details of attendance of the Committee members at the meeting are given in the following table.

Name of Director	Membership	Category
Mrs. Richa Goyal	Chairperson	Non-Executive & Independent Director
Mr. Nareshkumar R. Patel	Member	Managing Director
Mr. Chetankumar C. Vaghisia	Member	Whole Time Director

The Committee met twice during the year :

Date of the Meeting	Total Strength	No. of Directors Present
June 4, 2022	3	3
December 24, 2022	3	3

The Company Secretary acts as the Secretary to the committee.

#### Name and Designation of the compliance officer:

Mrs. Ekta Kumari Srivastava is the Company Secretary and Compliance Officer of the Company and the person responsible for resolution of Investor Complaints.

#### Number of requests / complaints:

During the year, the Company has resolved investor grievances in relation to blocking/unblocking/ refund of IPO application money expeditiously. The Company and / or its RTA have received the following number requests / complaints from SEBI / Stock Exchanges and also directly from the shareholders, which were resolved within the time frame laid down by SEBI. The Company has registered itself on SCORES and endeavours to resolve all investor complaints received through SCORES or otherwise within 30 days of the receipt of the complaint. During the year of review, the Company has not received any investor complaint through SCORES.

Particulars	Opening Balance	Received	Resolved	Pending as on March 31, 2023
Complaints from :				
NSE	NIL	NIL	NIL	NIL
BSE				
SEBI				
Shareholder queries / requests:				
Dividend Related	NIL	21	20	1*
Transfer / Transmission	NIL	NIL	NIL	NIL
Demat / Remat	NIL	NIL	NIL	NIL
Changes (address / bank mandates)	NIL	NIL	NIL	NIL
Procedure for duplicate share	NIL	NIL	NIL	NIL
Exchange of share certificates	NIL	NIL	NIL	NIL

\* Received as on March 31, 2023

#### **D. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:**

The terms of reference of CSR Committee includes framing the CSR Policy and reviewing it from time to time to make it more comprehensive so as to indicate the activities to be undertaken by the Company as specified in schedule VII of the Act and Rules made thereunder and to provide guidance on various CSR activities to be undertaken by the Company and to monitor its progress.

The details with regard to CSR, Policy, Projects, amount spent on CSR etc. are provided in the Directors Report in **Annexure V** forming part of Annual report.

The composition of the CSR Committee as on March 31, 2023.

Name of Director	Membership	Category
Mrs. Richa Goyal	Chairperson	Non-Executive & Independent Director
Mr. Nareshkumar R. Patel	Member	Managing Director
Mr. Chetankumar C. Vaghisia	Member	Whole Time Director

The Company Secretary acts as the Secretary to the committee.

The Committee met twice during the year as per the details given below:

Date of the Meeting	Total Strength	No. of Directors Present
June 4, 2022	3	3
February 27, 2023	3	3

#### **E. RISK MANAGEMENT COMMITTEE:**

In compliance with Regulation 21 of SEBI LODR Regulations, the Company has constituted a Risk Management Committee. Majority of the members of the Committee are Directors. The Company has a well-defined risk management framework to identify, recognize, monitor and mitigate risks and also identify business opportunities. Business risk evaluation and its management is a continuous process within the organization.

Board of the Directors of the Company at its meeting held on July 15, 2022 reconstituted Risk Management Committee due to resignation of Mr. Abhishek Patel, Chief Financial Officer w.e.f June 01, 2022 and appointed Mr. Bhavin Shah, Chief Financial Officer as member of the committee w.e.f July 15, 2022.

The composition of Risk Management Committee as on March 31, 2023 is as under.

Name of Director	Membership	Category
Mr. Chetankumar Vaghisia	Chairperson	Whole Time Director
Mrs. Richa Goyal	Member	Non-Executive & Independent Director
Mr. Abhishek Patel (Till 31.05.2022)	Member	Chief Financial Officer
Mr. Bhavin N. Shah (w.e.f 15.07.2022)	Member	Chief Financial Officer

The Company Secretary acts as the Secretary to the committee.

The Committee met three time during the year as per the details given below :

Date of the Meeting	Total Strength	No. of Directors Present
June 7, 2022	2	2
November 26, 2022	3	3
February 27, 2023	3	3

### 3. Independent Directors' Meeting: -

During the year under review, a separate meeting of the Independent Directors (without the attendance of the non-Independent Directors and members of the management of the Company) was held on February 4, 2023 inter alia, to discuss:

- i. Evaluation of performance of Non-Independent Directors and the Board as a whole,
- ii. Evaluation of performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors, and
- iii. Evaluation of the quality, content and timelines of flow of information between the Management and the Board and that is necessary to effectively and reasonably perform their duties.

All the Independent Directors had attended the meeting. The performance of the non-independent directors, the Board as a whole and Chairman of the Company was evaluated by the Independent Directors, taking into account the views of executive directors and nonexecutive directors.

#### Internal Complaints Committee :

Company has constituted Internal Complaints Committee (ICC) constituted pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. A Central ICC is constituted at Unit I & II with Mrs. Ekta Kumari Srivastava, Company Secretary acting as the Presiding Officer. The ICC has proper balance of male and female employees with adequate representation from workers category. Mrs. Amy Vadesa, a Lawyer by profession and a champion of women's cause also acts as the member of Committee.

The Committee is authorized to exercise all powers for compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company has adopted a Policy on Sexual harassment at workplace (Prevention, Prohibition and Redressal ) which is available at the website of company at [www.amiorganics.com](http://www.amiorganics.com) . During the FY 2022-23 one ICC Committee Meeting was held on July 29, 2022 at Sachin and Jhagadia units respectively.

### 4. Means of Communication: -

The Company had 79,651 shareholders as on March 31, 2023. The main channel of communication to the shareholders is through Quarterly Results Presentations, Annual Report, which includes inter alia, the Directors' Report, Management Discussion and Analysis, Report on Corporate Governance, Business Responsibility & Sustainability and Audited Financial Statements. The AGM is a platform for face-to-face communication with the shareholders, on the performance, operations and financial results of the Company. The Chairman, the MD & Whole Time Director and other Key Managerial Personnel respond to the specific queries of the shareholders.

The Company also intimates to the Stock Exchanges all price sensitive information, which in its opinion are material and of relevance to the shareholders and subsequently issues Press Release on such matters, wherever necessary. The quarterly and half yearly results are published in widely circulating national and local dailies such as "Financial Express" in English and Gujarati respectively. The results are also posted on the website of the Company [www.amiorganics.com](http://www.amiorganics.com) .

The Company holds meetings and makes representations to the institutional investors and analysts. The copies of such presentations and the transcripts of the quarterly results calls are also made available on the BSE and NSE portal and also on Company's website.

### 5. General Body Meetings: -

Details of last three Annual General Meetings held are provided hereunder:

Year	Date and Time	Venue
2021-2022	Tuesday, August 9, 2022 at 11.30 AM	Plot No. 440/4, 5 & 6, Road No. 82/A, GIDC Sachin, Surat 394230
2020-2021	Saturday, May 15, 2021 at 11: 00 AM	
2019-2020	Saturday, December 19, 2020 at 11:00 AM	

**Special Business transacted in the previous Annual General Meetings:**

The shareholders of the Company have passed the following Special Resolution in the previous Annual General Meetings:

Meeting	Nature of Special Resolution Passed	Remarks
2021-2022	<ol style="list-style-type: none"> <li>1. Re-appointment of Mr. Girikrishna Maniar (DIN 07515981), as Director (Non-Executive &amp; Independent) for a second term of five years.</li> </ol>	Resolution was passed with requisite majority
2020-2021	<ol style="list-style-type: none"> <li>2. Reappointment of Mr. Nareshkumar Ramjibhai Patel (DIN 00906232), as the Managing Director designated as Executive Chairman &amp; Managing Director and approval of payment of remuneration.</li> <li>3. Reappointment of Mr. Chetankumar Vaghasia (DIN 01375540), as the Whole Time Director and approval of payment of remuneration.</li> <li>4. Appointment of Mr. Virendra Nath Mishra (DIN 07815490), as the Whole Time Director and approval of payment of remuneration</li> <li>5. Appointment of Mr. Hetal Madhukant Gandhi (DIN 00106895), as Director (Non-Executive &amp; Independent) and approval of payment of remuneration</li> <li>6. Appointment of Mrs. Richa Manoj Goyal (DIN 00159889), as Director (Non-Executive &amp; Independent) and approval of payment of remuneration</li> <li>7. Approval of payment of commission to Non-Executive Directors.</li> <li>8. Alteration of the Memorandum of Association of the Company.</li> </ol>	All resolutions were passed with requisite majority
2019-2020	No special Resolution was passed	

**Extra Ordinary General Meetings**

Meeting	Nature of Special Resolution Passed	Remarks
January 30, 2021	<ol style="list-style-type: none"> <li>1. Adoption of New Sets of Memorandum of Association and Articles of Association of Company pursuant to the Companies Act, 2013.</li> <li>2. Approval of Increase in Authorised Capital</li> </ol>	Resolutions were passed with requisite majority
March 31, 2021	<ol style="list-style-type: none"> <li>1. Approval of the Initial Public Offer</li> <li>2. Approval for increasing the limit of investment by non-resident Indian or overseas citizen of India in the share capital of the Company</li> <li>3. Approval of amendments to the Articles of Association of the Company.</li> </ol> <p>Approval for Bonus issue of Equity Shares to existing shareholders of Company.</p>	Resolutions were passed with requisite majority
August 08, 2021	<ol style="list-style-type: none"> <li>1. Approval, issue and offer of 16,58,374 Fully paid, Equity Shares on a Preferential basis in one or more tranches</li> </ol>	Resolution was passed with requisite majority
August 1, 2020	<ol style="list-style-type: none"> <li>1. Approval for increase in Remuneration payable to Mr. Naresh Ramjibhai Patel, Managing Director</li> <li>2. Approval for increase in Remuneration payable to Mr. Chetankumar Chhaganlal Vaghasia, Whole Time Director</li> </ol>	Resolutions were passed with requisite majority

**Shareholders' approval through Postal Ballot:**

During the FY 2022-23, Company had sought approval of shareholders through Postal Ballot on the following resolutions only through remote E-voting (Voting through Electronic means) in compliance with the provisions of Section 110 and other applicable provisions, if any, of the Companies Act, 2013, read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014, (the Rules) read with MCA and SEBI Circulars and other applicable regulations of the SEBI Listing Regulations and pursuant to other applicable laws and regulations:

Notice of Postal Ballot was approved by the Board of Directors at its meeting held on March 22, 2022. The remote evoting commenced on March 30, 2022 and ended on April 28, 2022. Mr. Kashyap Shah, Practicing Company Secretary was appointed by the Board to act as the scrutinizer for conducting the Postal Ballot/voting process in a fair and transparent manner and in accordance with the provisions of the Companies Act, 2013 and the rules made there under.

The procedure for the Postal ballot was stated in the notice of Postal Ballot. Please refer the Notice of Postal Ballot under <http://www.amiorganics.com/notice-outcome.html>.

The result of voting were as follows: -

<b>Details of Resolutions</b>	<b>For</b>	<b>Against</b>	<b>PERCENTAGE(%)</b>	
	<b>No. of shares</b>	<b>No. of shares</b>		
1. Approval of Appointment of Dr. Anita Bandyopadhyay (DIN: 08672071) as a Non-Executive Independent Director of the Company and approval of payment of remuneration – Special Resolution	25999845	1353	99.99	0.01
2. Approval of Appointment of Mr. Ram Mohan Rao Locande (DIN: 08117035) as the Whole Time Director of the Company and approval of payment of remuneration – Special Resolution	25999785	1251	99.99	0.01

All the Resolutions were approved with requisite majority, the results were displayed on the website of the Company and necessary disclosures were made to the Stock Exchanges

**6. General Shareholder Information: -****I. Annual General Meeting (AGM):**

Date and Time of 16th AGM	Monday, September 25, 2023 at 11.30 A.M. (IST)
Venue of 16th AGM	To be held Virtually through video conference /other audio visual means
Financial Year :	2022-23
Date of Book Closure :	Tuesday, September 19, 2023 to Monday, September 25, 2023
Evoting :	Friday, September 22, 2023 (9.00 A.M. IST) till Sunday September 24, 2023 (05.00 P.M. IST)
Registered Office Address:	Plot No. 440/4, 5 & 6, road No. 82/A, G.I.D.C, Sachin, Surat 394230, Gujarat, INDIA
Compliance Officer:	Ekta Kumari Srivastava
Website :	<a href="http://www.amiorganics.com">www.amiorganics.com</a>

**II. Tentative financial calendar:**

First Quarter Results	On or before August 14, 2023
Half Yearly Results	On or before November 14, 2023
Third Quarter Results	On or before February 14, 2024
Audited Results for the year 2020-2021	On or before May 30, 2024

**III. Listing Details:**

The Equity shares of the Company were listed on National Stock Exchange of India Limited and BSE Limited on September 14, 2021.

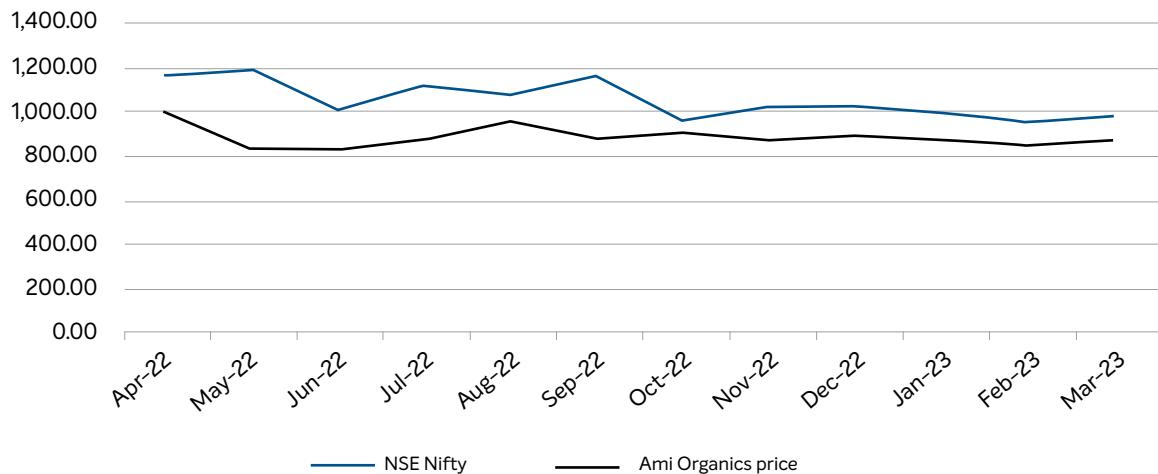
Name of the Stock Exchange	Stock Code
BSE Limited	543349
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001	
National Stock Exchange of India Limited	AMIORG
Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051	

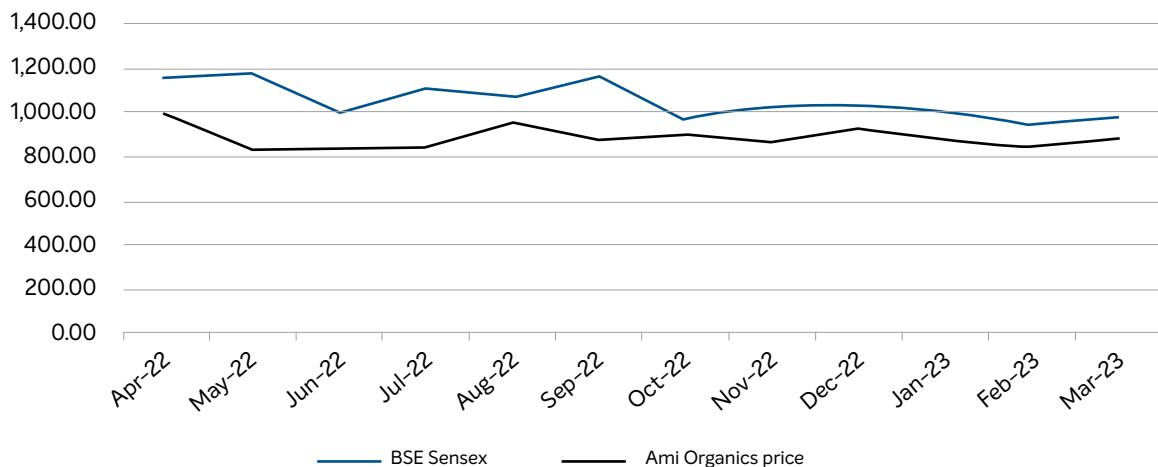
**IV. Listing Fees:**

The Company has paid annual listing fees for the financial year 2022-23 and 2023-24 to BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) within the prescribed timelines.

**V. Stock Price and BSE Sensex data**

Month	BSE Limited		National Stock Exchange of India Limited	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April 2022	1,165.00	990.00	1,166.15	989.40
May 2022	1,182.40	834.65	1,175.90	822.90
June 2022	1,000.00	826.00	1,000.00	825.35
July 2022	1,108.55	844.40	1,109.95	862.00
August 2022	1,073.90	952.30	1,074.60	952.05
September 2022	1,152.95	875.35	1,154.00	874.95
October 2022	967.00	894.20	967.00	894.00
November 2022	1,012.25	869.55	1,018.25	869.00
December 2022	1,018.05	925.00	1,019.00	883.10
January 2023	987.40	869.10	987.20	868.10
February 2023	944.50	844.95	945.00	847.35
March 2023	970.05	875.10	975.00	861.00

**NSE Nifty Vs Ami Organics share price**


**BSE Sensex Vs Ami Organics share price****VI. Registrar and Share Transfer Agent**

Link Intime India Private Limited, Mumbai (SEBI Registration No. INR000004058) are acting as the Company's registrar and transfer agents to handle requests for transmission, transposition, dematerialization, rematerialization and other investor related services. These activities are handled under the supervision of the Company Secretary who is also the Compliance Officer under the Listing Regulations

**Link Intime India Private Limited :**

C 101, 247 Park, L.B.S.Marg, Vikhroli (West), Mumbai – 400 083  
 Email: rnt.helpdesk@linkintime.co.in  
 Tel : – 8108116767  
 Contact Person : Ms. Sayali Borchate

**VII. Reconciliation of Share Capital Audit:**

M/s Kashyap Shah & Co. Practicing Company Secretary carried out secretarial audit in each of the quarters in the financial year 2022-23 to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and total issued and listed capital. The audit reports confirm that the total issued / paid up capital is in agreement with the total number of dematerialized shares held with depositories.

**VIII. Distribution of shareholding of Equity Shares as on March 31, 2023:**

No. of Equity Shares	No. of Shareholders	% of holders	Total shares	% of shares
1 to 500	78658	98.7533	2302039	6.3179
501 to 1000	530	0.6654	395034	1.0842
1001 to 2000	229	0.2875	345698	0.9488
2001 to 3000	66	0.0829	166013	0.4556
3001 to 4000	32	0.0402	113485	0.3115
4001 to 5000	22	0.0276	102659	0.2817
5001 to 10000	32	0.0402	222113	0.6096
10001 and above	82	0.1029	32790021	89.9908
Total	79651	100	36437062	100

**IX. Shareholding Pattern as on March 31, 2023:**

Sr. No.	Category	Dematerialised		% Of Issued Capital
		Securities	Holders	
1.	Promoters & Promoters Group	14358710	6	39.4069
2.	Public	14195518	76986	38.959
3.	Directors and their relatives (excluding independent Directors and nominee Directors)	330000	1	0.9057
4.	Alternate Invst Funds – lli	54183	2	0.1487
5.	Body Corporate – Ltd Liability Partnership	144005	31	0.3952
6.	Clearing Members	13607	20	0.0373
7.	Foreign Company	729685	1	2.0026
8.	Foreign Portfolio Investors (Corporate)	1586271	14	4.3535
9.	Hindu Undivided Family	303604	1536	0.8332
10.	Insurance Companies	26772	2	0.0735
11.	Mutual Funds	1243337	10	3.4123
12.	Nbfcs Registered With Rbi	213	2	0.0006
13.	Non Resident (Non Repatriable)	33971	299	0.0932
14.	Non Resident Indians	166136	551	0.456
15.	Other Bodies Corporate	3172633	189	8.7072
16.	Trusts	78417	1	0.2152
<b>Total</b>		<b>36437062</b>	<b>79651</b>	<b>100.00</b>

**X. Top ten non-promoter equity shareholders of the Company as on March 31, 2023:**

Sr. No.	Name of the shareholder	No. of equity shares held	Percentage of holding
1.	Girishkumar Limbabhai Chovatia	3095430	8.4953
2.	Plutus Wealth Management Llp	3000000	8.2334
3.	Dhwani Girishkumar Chovatia	2520000	6.9160
4.	Kiranben Girishbhai Chovatia	2040000	5.5987
5.	Government Pension Fund Global	1092000	2.9969
6.	Malabar India Fund Limited	969742	2.6614
7.	Vanaja Sundar Iyer	800000	2.1956
8.	Ashish Kacholia	776474	2.1310
9.	Virendra Nath Mishra	330000	0.9057
10.	SBI Healthcare Opportunities Fund	300000	0.8233

**Shares held by Directors as on March 31, 2023:**

Name of the Director	No. of shares held	Details of shares bought (+) / sold (-) during 2022-23
Mr. Nareshkumar R. Patel – Managing Director	40,03,710	0
Mr. Chetankumar Vaghasia-Whole Time Director	30,97,500	0
Mr. Virendra Nath Mishra – Whole Time Director	3,30,000	3,00,000
Mr. Ram Mohan Lokhande – Whole Time Director	0	0
Mr Girikrishna Maniar – Independent Director	0	0
Mr. Hetal Gandhi – Independent Director	0	0
Mrs Richa Goyal – Independent Director	0	0
Dr. Anita Bandyopadhyay – Independent Director	0	0

## XI. Dematerialization of Shares and Liquidity:

The Company's equity shares are required to be compulsorily traded on the Stock Exchanges in dematerialized form and 100% of the equity shares have been dematerialized. ISIN number of the Company is INE00FF01017. Total dematerialized share capital of the Company as on March 31, 2023 is 3,64,37,062 (demated with NSDL is 1,26,89,252 & CDSL is 2,37,47,810). The Company's shares are regularly traded on BSE Limited and National Stock Exchange of India Ltd. as indicated in the Table containing market information.

## XII. Corporate Identity Number (CIN):

The Corporate Identity Number (CIN) allotted by the Ministry of Corporate Affairs, Government of India, is L24100GJ2007PLC051093 and the Company's Registration No. is 051093. Company is registered in the State of Gujarat, India. Registered office and other locations:

The address of our registered office is Plot No. 440/4, 5 & 6, Road No. 82/A, GIDC Sachin, Surat Gujarat 394230 India.

Factory Unit 1 Sachin	Plot No. 440/4, 5, 6 & 8206/B, Road No. 82/A, GIDC Sachin, Surat 394230, Gujarat, India
Factory Unit 2 Ankleshwar	Plot No. 127/1, Industrial Estate, GIDC, Ankleshwar-393002, Gujarat, India
Factory Unit 3 Jhagadia	Plot No. 910/1/B, GIDC, Jhagadia- 393110, Bharuch, Gujarat, India
Research & Development Unit Sachin, Surat	Plot No. C1B-469 Road No. 82-C GIDC Sachin, Surat, 394230 Gujarat
Warehouse I Sachin, Surat	Plot No. 478, 479 & 494, 495 Road No. 82-C GIDC, Sachin, Surat, 394230 Gujarat
Warehouse II Sachin, Surat	Plot No. 5538, Road No. 8 GIDC Sachin, Surat-394230, Gujarat

## XIII. Address for correspondence:

Shareholders' correspondence should be addressed to the Company's Registrar and Share Transfer Agent at the address mentioned below :

Link Intime India Private Limited :  
C 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400 083  
Email: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)  
Tel : - 022 49186270

Shareholders may also contact the Company Secretary, at the Registered Office of the Company for any investor services related assistance.

Mrs. Ekta Kumari Srivastava  
Company Secretary and Compliance Officer  
[investorinfo@amiorganics.com](mailto:investorinfo@amiorganics.com) is a special e-mail ID for investors' complaints and other communications.

Shareholders holding shares in the electronic mode should address all their correspondence to their respective depository participants.

of the Company. Suitable disclosures as required by the Accounting Standard (Ind AS 24) have been made in the notes to the Financial Statements.

The Board has approved a policy on related party transactions, which includes the clear threshold limits, beyond which a transaction will be considered as a material related party transactions, has been uploaded on the website of the Company. The link for the same is [http://www.amiorganics.com/related\\_party\\_transaction\\_policy.pdf](http://www.amiorganics.com/related_party_transaction_policy.pdf)

### B. Code of Conduct:

The Company has laid down a Code of Conduct for all Board members and Senior Management. The Code of Conduct is available on the website of the Company [http://www.amiorganics.com/code\\_of\\_conduct.pdf](http://www.amiorganics.com/code_of_conduct.pdf) All Board Members and the Senior Management have affirmed compliance with the Code of Conduct for the year under review. The declaration of Managing Director is annexed.

### C. Prohibition of Insider Trading:

In compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has framed a Code of Conduct to avoid any insider trading and it is applicable to all the Directors, designated persons and their immediate relatives, connected persons and such employees of the Company who are expected to have access to the unpublished price sensitive information relating to the Company. The Code lays down guidelines, which advises the designated persons on procedure to be followed and disclosures to be made, while dealing in the shares of the Company.

## 7. Disclosures

### A. Related Party Transactions:

Transactions entered into with the Related Parties as defined under section 2(76) of the Act and regulation 23 of the Listing Regulations during the financial year were in the ordinary course of business and on an arm's length basis and do not attract the provisions of section 188 of the Act. There were no materially significant transactions with the related parties during the financial year which were in the conflict of interest

The Company reviews and monitors the report provided by Registrar and Transfer Agents on trading in the equity shares of the Company by the designated persons on weekly basis.

**D. Details of the Whistle Blower Policy/Vigil Mechanism:**

Details of establishment of vigil mechanism, Whistle Blower Policy and affirmation that no personnel have been denied access to the audit committee: In accordance with the requirements of the Act, read with SEBI Listing Regulations, the Company has a Whistle Blower Policy approved by the Board of Directors. The objectives of the policy are:

- a. To provide a mechanism for employees and directors of the Company and other persons dealing with the Company to report to the Audit Committee; any instances of unethical behaviour, actual or suspected fraud or violation of the Company's Ethics Policy.
- b. To safeguard the confidentiality and interest of such employees/directors/other persons dealing with the Company against victimization, who notice and report any unethical or improper practices.
- c. To appropriately communicate the existence of such mechanism, within the organization and to outsiders. Whistle Blower Policy is available on Company's website [http://www.amiorganics.com/vigil\\_mechanism\\_policy.pdf](http://www.amiorganics.com/vigil_mechanism_policy.pdf)
- d. The Company confirms that no personnel have been denied access to the audit committee pursuant to the whistle blower mechanism.

**E. Management:**

I. Management Discussion and Analysis Report:

Management Discussion and Analysis Report is set out in a separate section included in the Annual Report and forms a part of this Report.

II. Disclosure of material financial and commercial transactions:

As per the disclosures received from all the directors and the Senior Management, no material financial and commercial transactions that may have a potential conflict with the interest of the Company at large were reported to the Company during the year under report.

**F. Reason for Resignation of Independent Directors:**

During the year under review, no Independent Director has resigned from the Company.

**G. Credit Ratings:**

During the year Company has not obtained any credit rating.

**H. Non-Disqualification of Directors:**

The Company has obtained a certificate from M/s Kashyap Shah & Co., Practicing Company Secretary certifying that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or to continue as directors of companies by Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority. The said certificate is enclosed to this Corporate Governance Report.

**I. Fees paid to the Statutory Auditors:**

During the financial year 2022-23, the Statutory Auditors of the Company were paid fees for statutory audit and providing other services amounting to Rs. 1.5 Million. The same was approved by the Audit Committee.

**J. Disclosure regarding re-appointment of Director:**

The particulars about the brief resume and other information of the Director seeking re-appointment as required to be disclosed under this section as per regulation 36(3) of the Listing Regulations are provided as an annexure to the notice convening the sixteenth (16th) Annual General Meeting.

**K. Compliance by the Company:**

The Company has complied with all the mandatory requirements of the SEBI Listing Regulations and guidelines of SEBI. Further, during last three years, no penalties or strictures were imposed on the Company by the Stock Exchanges or SEBI or any Statutory Authority, on any matter related to capital markets.

**L. CEO / CFO Certification:**

The requisite certification from the Managing Director and the Chief Financial Officer required to be given under regulation 17(8) read with Part B of Schedule II of the Listing Regulations and forms part of this Report.

**M. Transfer of unclaimed / unpaid dividend amount and shares to Investor Education and Protection Fund ("IEPF"):**

Section 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit Transfer and Refund) Rules, 2016 ("the Rules"), mandates that companies have to transfer dividend that has remained unclaimed for a period of seven years from the unpaid dividend account to the Investor Education and Protection Fund (IEPF). Further, the rules mandate that the shares on which dividend has not been paid or claimed for seven consecutive years or more be transferred to the IEPF.

In the interest of the shareholders, the Company sends periodical reminders to the shareholders to claim their dividends in order to avoid the transfer of dividends/shares to the IEPF Authority.

The Company confirms that there were no cases of unclaimed dividend with respect to past seven years unclaimed dividends during FY 2022-23 and hence no such amount was required to be transferred to IEPF account during the FY 2022-23.

The following table gives information relating to various outstanding dividends and the dates by which these can be claimed by the shareholders from the Company's Registrar and Transfer Agent:

Financial Year	Date of Declaration	Last date of Claiming unpaid dividend
2021-22	09-08-2022	08-09-2029

#### N. Disclosure regarding end use of funds:

The funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of the SEBI Listing Regulations: -

Original Object	Modified Object, if any	Original Allocation as per Prospectus dated Sept 6, 2021	Modified allocation, if any	(Rs. in Millions) Funds Utilised till March 31, 2023
Repayment/prepayment of certain financial facilities availed by our Company	Not Applicable	1,400.00	Not Applicable	1,400.00
Funding working capital requirements of our Company	Not Applicable	900.00	Not Applicable	900.00
General Corporate Purpose	Not Applicable	459.31	Not Applicable	459.31
Total		2759.31		2759.31

\*Offer related expenses amounted to Rs. 240.69 million

#### O. Recommendation of the Committees:

Recommendations of the Committees are submitted to the Board for approval and the Board has accepted all the recommendations of committees during the FY 2022-23.

#### P. Disclosure regarding Sexual Harassment of Women at Workplace:

The Company has adopted a policy on Sexual Harassment of Women at Workplace for prevention, prohibition and Redressal of sexual harassment at workplace pursuant to the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013 and the Rules framed thereunder.

Internal Complaints Committees (ICC) have been constituted at all units of Company to redress the complaints received regarding sexual harassment. Details of Internal Complaints Committee. The Internal Complaints Committee consists of male and female employees of Company with ethical integrity and an eminent female lawyer from external agency.

During the financial year 2021-22, the Company raised funds by way of issue and allotment of 16,58,374 Equity Shares of face value 10 each at a price of 603/- (including a premium of 593/-) per equity share on preferential basis, amounting to Rs. 999.9 Million, by way of preferential issue.

Further, during the financial year 2021-22, the Company also raised funds by way of issue and allotment of 32,78,688 Equity Shares of face value of 10 each at a price of 610/- (including a premium of 600/- per equity share, amounting to Rs. 1967.2 Million on September 14, 2021 by way of Initial Public Offer.

During the year, the net proceeds of the aforesaid issues were completely utilised in accordance with the objects mentioned in the Prospectus dated September 6, 2021. The statement of utilisation of IPO proceeds as on March 31, 2023 is provided as below:

Particulars	No. of Complaints
Number of Complaints pending as on beginning of the Financial Year	NIL
Number of Complaints filed and resolved during the Financial Year	NIL
Number of Complaints pending as on the end of the Financial Year	NIL

#### Q. Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity:

The Company has not issued any GDRs/ADRs, warrants or any convertible instruments.

#### R. Disclosure by listed entity and its subsidiaries of Loans and advances in the nature of loans to firms/companies in which Directors are interested by name and amount:

During the year under review, Company has granted loan amounting to Rs. 2.1 Million to its wholly owned

subsidiary, Ami Organics Electrolytes Private Limited to be used only for its business purpose.

**S. Auditor's Certificate on Corporate Governance:**

The Auditors' Certificate on Corporate Governance obtained from Kashyap Shah & Co., Company Secretaries for compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is provided as Annexure to the Directors' Report.

**T. Disclosure on Compliance:**

Company has complied with the requirements of the Regulation 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company has not adopted discretionary requirements as specified in Part E of schedule II. However, Internal Auditors reports to the Audit Committee every quarter.

**U. Non-compliance of Regulations relating to Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, if any:**

Company is fully compliant with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and there are no such non-compliances reported during the FY 2022-23.

**V. Disclosure on materially significant related party transaction that may have potential conflict with the interest of the Company at large:**

None of the transactions with any of the related parties were in conflict with the interest of the Company.

**W. Disclosure of Agreements :**

There are no subsisting agreements to be disclosed, as on the date of notification of clause 5A to para A

of part A of schedule III of the SEBI Listing Regulations and hence such agreements salient features including the link to the webpage where the complete details of such agreements may be available, has not been provided.

**X. Disclosure of accounting treatment different from accounting standards: None.**

Equity shares in the Suspense Account: None

**Y. Policy for determining material subsidiaries:**

The policy for determining 'material' subsidiaries are available on Company's website [www.amiorganics.com](http://www.amiorganics.com) at [http://www.amiorganics.com/material\\_subsidary\\_policy.pdf](http://www.amiorganics.com/material_subsidary_policy.pdf)

**Z. Disclosure of commodity price risks/foreign exchange risk and commodity hedging activities: -**

The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular dated 15th November, 2019 is not applicable. Foreign exchange risk is catered by having natural hedge position for all receivables & Payables in USD. For other currencies, we are booking forward contract basis advice from consultants from time to time.

On behalf of the Board of Directors of  
**Ami Organics Limited**

Sd/-  
**Nareshkumar R. Patel**  
Managing Director

Date: August 25, 2023  
Place: Surat

## MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER CERTIFICATE UNDER REGULATION 17(8) OF SEBI (LODR) REGULATIONS 2015

Date: May 13, 2023

To,  
The Board of Directors,  
**Ami Organics Limited**,  
Plot no. 440/4, 5 & 6, Road No. 82/A,  
GIDC Sachin, Surat 394230

**Subject: MD and CFO Certification as per Regulation 17(8) of (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

Dear Sir/Madam,

We Certify that,

- A. We have reviewed financial statements and the cash flow statement for the financial year ended as on March 31, 2023 and that to the best of our knowledge and belief:
  - (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 Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate 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
  - (1) that no significant changes in internal control over financial reporting during the year;
  - (2) that no significant changes in accounting policies during the year have taken place; and
  - (3) that neither instances of significant fraud of which we have become aware and nor 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.

**For Ami Organics Limited**

Sd/-

**Nareshkumar Patel**

Chairman & Managing Director

**For Ami Organics Limited**

Sd/-

**Bhavin Shah**

Chief Financial Officer

### Declaration Regarding Compliance by Board Members and Senior Management Personnel with the Company's Code of Conduct: -

I, Nareshkumar R. Patel, Managing Director of Ami Organics Limited, hereby declare that all the members of the Board of Directors and the Senior Management Personnel have affirmed compliance with the code of conduct for the year ended 31st March, 2023.

I confirm that the Company has in respect of the said financial year, received from the senior management team and the members of the board of the Company a declaration of compliance with the code of conduct as applicable to them.

On behalf of the Board of Directors of  
**Ami Organics Limited**

Sd/-

**Nareshkumar R. Patel**  
Managing Director

Date: August 25, 2023

Place: Surat

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,  
The Members,  
**AMI ORGANICS LIMITED**  
Plot no. 440/4, 5 & 6, Road No. 82/A, GIDC Sachin,  
Surat, Gujarat 394230

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **AMI ORGANICS LIMITED** having CIN : L24100GJ2007PLC051093 and having registered office at Plot no. 440/4, 5 & 6, Road No. 82/A, GIDC Sachin, Surat, Gujarat 394230 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations,2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority:

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	NARESHKUMAR RAMJIBHAI PATEL	00906232	12/06/2007
2	CHETANKUMAR CHHAGANLAL VAGHASIA	01375540	12/06/2007
3	GIRIKRISHNA MANIAR	07515981	23/04/2018
4	VIRENDRA NATH MISHRA	07815490	03/03/2021
5	HETAL MADHUKANT GANDHI	00106895	28/04/2021
6	RICHA MANOJ GOYAL	00159889	01/04/2021
7	RAM MOHAN LOKHANDE	08117035	08/02/2022
8	ANITA BANDYOPADHYAY	08672071	08/02/2022

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 **Kashyap Shah & Co.**  
Practicing Company Secretaries

Sd/-

**Kashyap Shah**

Proprietor

Membership No.: 7662

CP No.:6672

UDIN: F007662E000866731

PR NO. 1378/2021

Place: Vadodara

Date: August 25, 2023

# CERTIFICATE OF COMPLIANCE WITH THE CORPORATE GOVERNANCE REQUIREMENTS

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

To,  
The Members,  
**Ami Organics Limited**  
Plot No. 440/4, 5 & 6,  
Road No. 82/A, GIDC  
Sachin, Surat 394230

We, Kashyap Shah & Co., Practicing Company Secretaries have examined the compliance of conditions of Corporate Governance by **Ami Organics Limited**, having CIN:L24100GJ2007PLC051093 (the "Company") for the year ended 31st March, 2023 as prescribed in Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and paras C, D and E of Schedule V to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR").

We state that the compliance of conditions of corporate governance is the responsibility of the management, and our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of the 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, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the aforesaid provisions of LODR.

We further state that such compliance is neither an assurance as to the further viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Kashyap Shah & Co.**  
Practicing Company Secretaries

Sd/-

**Kashyap Shah**

Proprietor

Membership No.: 7662

CP No.: 6672

UDIN: F007662E000866817

PR NO. 1378/2021

Place: Vadodara

Date: August 25, 2023

# Business Responsibility and Sustainability Report FY 2022-23

## SECTION A: General Disclosures

### I. Details of Listed Entity

Sr. No.	Disclosures	Information/Reference Sections
1.	Corporate Identity Number (CIN) of the Company	L24100GJ2007PLC051093
2.	Name of the Company	Ami Organics Limited
3.	Year of incorporation	2007
4.	Registered Office/Corporate Address	Plot no. 440/4, 5 & 6, Road No. 82/A, GIDC Sachin, Surat 394230
5.	E-mail id	info@amiorganics.com
6.	Telephone	+91 7227977744
7.	Website	www.amiorganics.com
8.	Financial year reported	April 1, 2022 to March 31, 2023
9.	Name to Stock Exchange(s) where shares are listed	I. BSE Limited II. National Stock Exchange of India Limited Listed since September 14, 2021
10.	Paid up capital (31 <sup>st</sup> March 2023)	₹ 364.37 million /-
11.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	CS Ekta Kumari Srivastava Tel: - 7227977744 Email: cs@amiorganics.com
12.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together)	Standalone-Basis Reporting

### II. Product Services

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

Sr. No.	Description of Main Activity	Description of Business activity	% of Turnover of the entity
1.	Chemical Manufacturing	Manufacturing of Pharmaceutical Intermediates and Speciality chemicals	100%

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

Sr. No.	Description of Main Activity	NIC Code	% of Turnover of the entity
1.	Manufacturing of organic and inorganic chemical compounds	20119	100%

### III. Operations

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

Location	Number of Plants	Number of offices	Total
National	3	1	4
International	0	0	0

#### 17. Markets served by the Company

##### a) Number of Locations

Location	Number
National (No of States)	25
International (No of Countries)	55

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

The contribution of export as a percentage of the total turnover of Ami Organics is 59%.

##### c) A brief on types of customers :

Pharma Intermediates and speciality chemicals products manufactured by Ami Organics Limited are used by diverse industrial sectors including Pharmaceutical, Personal Care, Cosmetics, Dyes, Polymers, Agro Chemicals and Animal Foods industries. Company has diversified customer base in domestic and International markets. top clients for Pharma intermediates are Organike, Sun Pharma, Midas Pharma, Cipla, Zydus, Lupin etc. Top clients for speciality chemicals are Sharon Laboratories, Bayer, Himalaya etc. Company has strong and long term relations with its customers across diversified geographies.

### IV. Employees

#### 18. Details as at the end of Financial Year:

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

Sr. No.	Particulars	Total (A)	Male		Female	
			No. B	% (B/A)	No. C	% (C/A)
<b>Employees</b>						
1	Permanent (D)	532	498	93.61%	34	6.39%
2	Other than permanent (E)	0	0	0.00%	0	0.00%
3	<b>Total employees (D + E)</b>	<b>532</b>	<b>498</b>	<b>93.61%</b>	<b>34</b>	<b>6.39%</b>
<b>Workers</b>						
4	Permanent (F)	70	68	97.14%	2	2.86%
5	Other than permanent (G)	365	352	96.44%	13	3.56%
6	<b>Total workers (F + G)</b>	<b>435</b>	<b>420</b>	<b>96.55%</b>	<b>15</b>	<b>3.45%</b>

##### b) Differently abled Employees and workers:

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

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

Sr. No.	Particulars	Total (A)	No. and percentage of females	
			No. B	% (B/A)
1	Board of Directors	8	2	25%
2	Key Management Personnel	2	1	50.00%

**20. Turnover rate for permanent employees and workers**

Particulars	Turnover rate in current FY (2022-23)			Turnover rate in previous FY (2021-22)			Turnover rate in the year prior to the previous FY (2020-21)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	17.62%	1.55%	19.17%	15.33%	1.60%	16.93%	9.30%	1.00%	10.30%
Permanent Workers	0.35%	0.00%	0.35%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

**V. Product Services**

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

Sr. No.	Name of the holding / subsidiary/associate companies/joint ventures (A)	Indicate whether holding/Subsidiary/ Associate/Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Ami Organics Electrolytes Private Limited	Wholly Owned Subsidiary	100.00%	No
2	Ami-Onco Theranostics LLC	Joint Venture	50.00%	No

**VI. CSR Details**

22. I. Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

II. Turnover (in ₹): 6167.34 million

III. Net worth (in ₹): 5867.85 million

**VII. Transparency and Disclosures Compliances**

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

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/ No) (If Yes, then provide web-link for grievance redress policy)	Turnover rate in current FY (2022-23)			Turnover rate in previous FY (2021-22)		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	0	0	NIL	0	0	NA
Investors (other than shareholders)	Yes	0	0	NIL	2330	0	Complaints filed for refund of IPO application money received by company & Registrar & Transfer Agent
Shareholders	Yes	21	1	Dividend related	57	0	Dividend & IPO related

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/ No) (If Yes, then provide web-link for grievance redress policy)	Turnover rate in current FY (2022-23)			Turnover rate in previous FY (2021-22)		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Employees and workers	Yes	0	0	NIL	0	0	NA
Customers	Yes	24	0	Customer issues	37	0	Customer issues
Value Chain Partners	Yes	0	0	NIL	0	0	NA

Weblink for grievance redressal policy : [https://www.amiorganics.com/static/uploadfiles/downloads/download\\_1008.pdf?20230220115137](https://www.amiorganics.com/static/uploadfiles/downloads/download_1008.pdf?20230220115137)

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

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

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Occupational Health and Safety	Risk	Manufacturing of speciality chemicals entail multiple risks to workers and employees in the form of material management, spills, fumes, fire hazards, long-term exposure, etc. that could result in health impairment, serious injuries, or even fatalities. Health and safety risks are also present in the supply during the manufacture of raw materials and the transport of raw materials and finished products	The Company has taken various measures to mitigate occupational health and safety risks including Adoption of organization wide Integrated approach on Environment Health Safety and Quality Management System (As per ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 Standards). Strict health and safety measures and SOPs around storage, use, transportation and waste treatment of hazardous substances Trainings & internal audits for all SOPs on Operational Health and safety.	Negative Implications
2.	Anti-corruption and ethics	Risk	<b>Legal Compliance:</b> Adherence to anti-corruption laws and regulations. <b>Reputation Protection:</b> Safeguarding the organization's image and trust. <b>Operational Efficiency:</b> Preventing resource misallocation and bias. <b>Fair Competition:</b> Ensuring a level playing field in the market	Standards and procedures for combating corruption and upholding commercial ethics. This provides ways for internal or external stakeholders to anonymously voice their concerns (whistleblowing).	Negative Implications

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
3.	Information security and cyber security	Risk	Data privacy and cyber security has emerged as a major threat in the business operations. Data breach of the Company's Information Technology systems leads to business damage and reputational risk, causing damage at both financial and non-financial resources	Implementation of information management security. ISMS implementation as per ISO 27001 is under progress. Trend Micro end point protection. Drive Encryption Firewall security Cloud based Mail Server Data sharing through secured FTP Recourses.	Negative Implications
4	Occupational prospects	Opportunity	<p><b>Career Advancement:</b> Opening opportunities in leadership positions focused on ethical practices.</p> <p><b>Skill Diversification:</b> Acquiring skills applicable to diverse sectors and industries.</p> <p><b>Employability:</b> Enhancing qualifications for roles in compliance, risk management, and auditing.</p>	We have below mentioned positive implications. Trained in-house 60 numbers of certified First aiders to handle an emergency. No major accidents during the reporting year causing danger to life of employees and workers Nil Complaints from employees and workers Compliance with all Labor laws at all units	Positive Implications
5	Sustainable product design and innovation	Opportunity	Sustainable product design and innovation is an opportunity for us to reduce their environmental impact, enhance our brand reputation, and attract more investors and customers.	ESG integration (Safety, compliance, ethics), ISO, OHSAS, collaboration and digitization	Positive Implications
6	Health & safety	Risk	<p><b>Worker Well-being:</b> Prioritizing the safety and health of employees.</p> <p><b>Productivity:</b> Reducing workplace accidents to maintain a productive workforce.</p> <p><b>Stakeholder Confidence:</b> Inspiring trust among employees, customers, and investors.</p>	Vaccination Drive for Employees during COVID-19 pandemic. ISO Certified Occupational Health Centre for employees. Safety Instruction Board (Cardinal Rule) & Sign Boards, Safety SOPS and protocols. Training & Awareness Programs. Availability of 24x7 Ambulance & Inhouse Doctor. Mock Drill for emergencies. Personal Protective Equipment for workers & employees. Work permit system across the Company. Material Safety data sheet for hazardous products	Negative Implications

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
7	Transparency	Opportunity	<p><b>Accountability:</b> Holding organizations and individuals responsible for their actions.</p> <p><b>Effective Governance:</b> Facilitating informed decision-making by stakeholders.</p> <p><b>Social Responsibility:</b> Contributing to a culture of honesty and integrity.</p>	<p>Integrity and transparency in reporting of financial statements Responsible reporting through Annual Reports and Sustainability Report • Clear and Responsible stakeholders communication</p>	Positive Implications
8	Waste	Risk	<p>Proper disposal of waste from operations is critical for environmental protection, public health, and safety.</p> <p>Improper disposal of chemical waste can result in the release of harmful substances into the air, soil, and water. This pollution can contaminate local ecosystems, harm wildlife, and even affect nearby human populations.</p> <p>Exposure to hazardous chemicals from poor waste management practices can lead to various health risks, including respiratory problems, cancer, and reproductive issues.</p>	<p>Controlled generation &amp; Assessment of hazardous waste Segregation of waste generated and storage at Hazardous Storage area GPCB approved vendors for waste disposal with in prescribed time Recover, recycle &amp; reuse of the waste byproducts Waste processing and disposal through accredited Recyclers and treatment plants.</p>	Negative Implications
9	Emissions	Risk	<p>Production of chemicals has the potential to release harmful gases to the atmosphere that could endanger human and animal lives in surrounding areas or cause health related impacts over a longer term. Along with various Scope 1, 2 and 3 greenhouse gas emissions, various air emissions such as oxides of nitrogen and sulphur, Hydrogen, HCl etc., are associated with our manufacturing operations.</p>	<p><b>Regulatory Compliance:</b> Adhering to emissions regulations and standards.</p> <p><b>Climate Commitments:</b> Aligning with global efforts to mitigate climate change.</p> <p><b>Innovation and Research:</b> Encouraging advancements in emissions reduction technologies.</p> <p>Monitoring of emissions on monthly basis so that emissions are within permissible maximum limit of GPCB</p>	Negative Implications

<b>Sr. No.</b>	<b>Material issue identified</b>	<b>Indicate whether risk or opportunity (R/O)</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>
10	Water and Effluent Management	Risk	Chemical production is water intensive activity owing to water usage in its day-to-day operations. Water scarcity is a significant risk for businesses that rely on water for their operations. Water scarcity can lead to disruptions in business operations, supply chains, and increased costs of raw materials, which can have financial implications. Water scarcity can also pose a threat to the health and safety of employees and the local community, which could result in legal and reputational risks.	Water is a crucial resource and we are committed to conserve it. One of our plants has zero liquid discharge by treating Effluent in Soil Bio Technology (SBT), Multi Effect Evaporator (MEE), Reverse Osmosis (RO) and treated water reusing in Utility. And, in another plant, effluent treated in Effluent treatment plant, Multi Effect Evaporator (MEE) and then discharging in common GIDC effluent discharge line	Negative Implications
11	Local Community Engagement	Opportunity / Risk	<p><b>Risk:</b></p> <p>Chemical manufacturing involves producing harmful effluents &amp; gases as by products which may negatively impact the local surroundings. It may lead to long-term health and ecological impact if not managed properly.</p> <p><b>Opportunity:</b></p> <p>Engagement with local communities helps in earning goodwill and trust building. Hiring from local area can promote employment and provide cheap labour.</p>	The Company regularly engages with local communities to understand their needs and expectation, thereby, operate in harmony with them. We work towards providing services in the field of rural development, drinking water projects, providing solar street lights-water pumps, COVID relief, women education etc. to name a few. Services from local contractors and service providers are used to best possible extent	Positive and Negative implications

## 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)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web Link of the Policies, if available	<a href="https://www.amiorganics.com/corporate-policies.html">https://www.amiorganics.com/corporate-policies.html</a>								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
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.	We are practicing following Standards: 1. ISO 9001:2015 – Quality Management System 2. ISO 14001:2015 – Environment Management System. 3. ISO 45001:2018 – Occupational Health & Safety Management System. 4. Good Manufacturing Practice ( GMP) for active pharmaceutical ingredients (ICHQ7 & Q9)								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	The Company has onset on its Sustainability journey, with its maiden efforts of publishing the Business Responsibility and Sustainability Report (BRSR) for FY 2022-23. Furthermore, it will focus on improving and disclosing its ESG goals and commitments in subsequent year(s). Please refer Company's Sustainability Report for FY 2021-22 for few targets at the link: <a href="http://www.amiorganics.com/static/uploadfiles/downloads/download_290.pdf?2023020612834">http://www.amiorganics.com/static/uploadfiles/downloads/download_290.pdf?2023020612834</a> .								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	The Company has onset on its Sustainability journey, with its maiden efforts of publishing the Business Responsibility and Sustainability Report (BRSR) for FY 2022-23. Furthermore, it will be assessing and reporting its performance against the ESG goals and commitments in subsequent year(s).								

### Governance, leadership and oversight

7. **Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)**

#### Dear Stakeholders,

I am pleased to present the progress made by Ami Organics Limited during the financial year 2022-2023 as we continue our journey towards sustainability and responsible business practices. This BRSR report highlights our efforts, achievements, and ongoing commitments in line with our triple bottom line approach: People, Planet, and Performance.

#### Continued Resilience in a Changing Landscape

In the face of evolving challenges and opportunities, Ami Organics remained steadfast in its commitment to sustainable growth. Our determination to uphold our values, even in uncertain times, allowed us to maintain our performance momentum while prioritizing the well-being of our employees and stakeholders.

#### Advancing Sustainability Amidst Climate Concerns

We recognize the urgency of addressing climate change and its impact on our planet. Throughout FY 2022-2023, we continued to integrate sustainable practices into our operations. Our efforts to enhance resource efficiency, implement water reuse and recycling, diversify our energy mix, and reduce waste generation were not only sustained but further improved upon.

<b>Disclosure Questions</b>	<b>P1</b>	<b>P2</b>	<b>P3</b>	<b>P4</b>	<b>P5</b>	<b>P6</b>	<b>P7</b>	<b>P8</b>	<b>P9</b>																																																																																
<b>Milestones and Achievements</b>																																																																																									
During this fiscal year, we achieved significant milestones that align with our sustainability goals:																																																																																									
Renewable Energy Installation: As part of our commitment to renewable energy, we have moved forward with the plan of installation of a 5 MW solar power plant, thus taking a significant step towards reducing our carbon footprint.																																																																																									
Plastic Reduction Initiative: We are pleased to report that our efforts to eliminate single-use plastics from our manufacturing plants are well underway. We have implemented to achieve this goal and have made significant strides in reducing our plastic waste.																																																																																									
<b>External Recognition and Collaborations</b>																																																																																									
Our sustainability endeavours were acknowledged through our continued partnership with Ecovadis, where we maintained our certification in the bronze category. Furthermore, our commitment to responsible business practices was reaffirmed by our membership in the United Nations Global Compact (UNGC) and our participation in the Climate Neutral Now Initiative.																																																																																									
<b>Investing in Our People, Communities, and Governance</b>																																																																																									
Our investment in human capital remains unwavering. We continued to provide training and development opportunities for our employees, ensuring a skilled and motivated workforce. Additionally, our community outreach initiatives through skill development trainings and local employment prospects have continued to contribute positively to the communities we serve.																																																																																									
Our commitment to good governance has been reinforced by our ESG Internal Committee's consistent monitoring of our ESG performance, ensuring that we uphold our responsible business practices.																																																																																									
<b>Looking Ahead</b>																																																																																									
As we move forward, our dedication to sustainability remains resolute. Building upon the achievements of this fiscal year, we are committed to setting even more ambitious targets for greenhouse gas emissions reduction, energy efficiency, waste reduction, and community engagement. Our vision to become a Net-Zero Emissions Company by 2050 drives our continuous efforts to create a lasting positive impact on both our environment and stakeholders.																																																																																									
In conclusion, I extend my heartfelt gratitude to all our stakeholders who have supported our journey towards sustainability. Your trust, collaboration, and dedication inspire us to keep pushing the boundaries of what's possible.																																																																																									
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).	1. Mr. Nareshkumar R. Patel Executive Chairman & Managing Director	2. Mr. Ram Mohan Lokhande Whole Time Director	3. ESG Committee Members.																																																																																						
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.	Yes, Board has constituted ESG Committee and composition of the committee is as follows:																																																																																								
	1. Mr. Ram Mohan Lokhande – WTD and Chairman of ESG Committee	2. Mr. Girikrishna Maniar – Independent Director and Member	3. Mr. Pratik Thakor – Member	4. Mr. Hemant Patel – Member	5. Mr. Dishank Oza – Member																																																																																				
10. Details of Review of NGRBCs by the Company:																																																																																									
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	P1	P2	P3	P4	P5	P6	P7	P8	P9
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.									

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)	NA								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	NA								
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	NA								
It is planned to be done in the next financial year (Yes/No)	NA								
Any other reason (please specify)	NA								

## 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 programmes on any of the Principles during the financial year :

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors	4	<p>Company has conducted familiarization program for Independent Directors with an objective to train them regarding the nature of the industry and business, operations, regulatory environment, roles &amp; responsibilities, and code of conduct adopted by company. Topics covered were as under :</p> <ol style="list-style-type: none"> <li>1) ESG and sustainability</li> <li>2) Training on Statutory and Legal updates</li> <li>3) Awareness session on Business overview and trend, Risk management, HR and employee welfare updates</li> <li>4) Awareness session on BRSR and BRSR Core Requirements</li> </ol>	100%
Key Managerial Personnel	2	<p>Various topics like Data Integrity &amp; Data Privacy, Prevention of Sexual Harassment, ESG related aspects etc. were conducted covering following topics :</p> <ol style="list-style-type: none"> <li>1) ESG and sustainability</li> <li>2) Business ethics, values and Code of conduct</li> <li>3) Leadership Skills</li> <li>4) Train the Trainer</li> <li>5) Risk Assessment and mitigation</li> <li>6) POSH and Social Accountability</li> </ol>	100.00%
Employees other than BoD and KMPs	60	<p>The topics covered included</p> <ol style="list-style-type: none"> <li>1) Code of conduct and values</li> <li>2) Behavioural training</li> <li>3) Time Management, Skill development</li> <li>4) ESG and sustainability</li> <li>5) Technical Training</li> <li>6) Health &amp; Safety trainings</li> <li>7) Fire Fighting</li> <li>8) POSH and social accountability</li> </ol>	95.00%
Workers	378	<p>The company has structured training programmes for all permanent employees and workers. Trainings imparted were on following themes :</p> <ol style="list-style-type: none"> <li>1) Skill development</li> <li>2) Safety training</li> <li>3) Hygiene and Hygiene and occupational hazards training.</li> <li>4) POSH, Social Accountability</li> </ol>	88.00%

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Particulars	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
<b>Monetary</b>					
Penalty/ Fine	NIL	Not Applicable	NIL	NIL	NA
Settlement	NIL	Not Applicable	NIL	NIL	NA
Compounding fee	NIL	Not Applicable	NIL	NIL	NA
<b>Non - Monetary</b>					
Imprisonment	NIL	Not Applicable	NIL	NIL	NA
Punishment	NIL	Not Applicable	NIL	NIL	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

Details of the appeal or revision preferred in cases where monetary or non-monetary action has been appealed

Sr. No.	Case Details	Name of the regulatory/ enforcement agencies/judicial institutions
1	Not Applicable	Not Applicable

4. Does the entity have an anti-corruption or anti-bribery policy?

The company has an Anti-Corruption and Bribery policy in place. Additionally, the company has implemented a Vigil Mechanism and Whistleblower Policy that allows stakeholders, including individual employees and their representative bodies, to report any concerns related to illegal or unethical practices without fear of retaliation. The policy includes adequate safeguards to protect employees who use the mechanism. Till date, no company personnel have been denied access to the Chairperson of the Audit Committee.

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

Particulars	FY (2022-23)	PY (2021-22)
Directors	NIL	NIL
KMPs	NIL	NIL
Employees	NIL	NIL
Workers	NIL	NIL

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

	FY (2022-23)		PY (2021-22)	
	Number	Remarks	Number	Number
Number of complaints received in relation to issues of Conflict of Interest of the Directors	NIL	NA	NIL	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	NIL	NA	NIL	NA

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

Not Applicable

## Leadership Indicators

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

Sr. No.	Total number of awareness programmes held	Topics / principles covered under the training	Percentage of value chain partners covered (by value of business done with such partners) under the awareness programmes
1	1	Supplier Code of Conduct and Ethics	62%
2	1	ESG	62%

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board?

Yes. The Company has implemented a policy to manage conflicts of interest at the board and senior management level. Additionally, the company requires annual conflict of interest declarations from the board, senior management, and all other employees. Code of Conduct is available on the website of the company. Please refer here.



## 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.

Particulars	FY (2022-23)	PY (2021-22)	Details of improvements in environmental and social impacts
R&D	1.59%	5.73%	<ul style="list-style-type: none"> <li>Effluent Treatment Plant followed by Multi Effect Evaporator (MEE) and Reverse Osmosis (RO)</li> <li>Other energy conservation and emission reduction initiatives.</li> <li>Yield improvement</li> <li>Zero Liquid Discharge</li> <li>Air emission reduction</li> </ul>
Capex	5.54%	14.80%	

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

Yes, the Company has a mechanism in place to sustainably procure raw materials from different suppliers considering availability, transportation, requirement of factories, etc. As per the Sustainable Procurement Policy of the company, procurement of goods and services is done with due consideration of its effect on health, safety, environment and strain on natural resources. The Company has also established Supplier Code of Conduct (COC) which includes guidelines on environment management, pollution prevention and waste management. The Supplier COC is applicable to both domestic and global suppliers as well as the employees, agents and contractors hired by the suppliers.

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

The Company works with suppliers who diligently follow sustainable procurement practices. In subsequent years, necessary action will be taken to account for the percentage of inputs sourced sustainably and will be reported accordingly.

**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)**

We are outsourcing the disposal of this type of waste to GPCB approved third-parties for recycling.

**(b) E-waste**

We are outsourcing the disposal of this type of waste to third-party GPCB approved vendors who forward it to recycling facilities. For battery waste, we have implemented a direct buyback option.

**(c) Hazardous waste**

We are taking a multi-pronged approach to dispose of this waste by sending it to different facilities. This includes sending some of it to landfills, some to recycling facilities, and also utilizing co-processing methods.

**(d) other waste**

Our non-hazardous waste primarily consists of plastics, metal and wooden waste, which is typically generated from aging process equipment or as part of routine maintenance activities.

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

If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? No

If not, provide steps taken to address the same.

Since our company primarily serves the B2B segment, we believe that Extended Producer Responsibility (EPR) regulations do not apply to our business activities.

**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)?** No

If yes, provide details

NA

**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.**

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).**

Sr. No	Indicate Input Material	Recycled or re-used input material to total material	
		FY (2022-23)	PY (2021-22)
1	Tolune	72.44%	69.63%
2	Methanol	36.03%	50.11%

**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:**

Indicate Input Material	FY (2022-23)			PY (2021-22)		
	Re-Used	Recycled	Safely Disposed	Re-Used	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	NA	NA	NA	NA	NA	NA

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

Not Applicable


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

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

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/ A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent employees</b>											
Male	498	498	100%	498	100%	0	0%	0	0%	0	0%
Female	34	34	100%	34	100%	34	100%	0	0%	0	0%
Other	0	0	0%	0	0%	0	0%	0	0%	0	0%
<b>Total</b>	<b>532</b>	<b>532</b>	<b>100%</b>	<b>532</b>	<b>100%</b>	<b>34</b>	<b>6.39%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>
<b>Other than permanent employees</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%
Other	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. Details of measures for the well-being of workers:

Category	Total (A)	% of workers covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/ A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent workers</b>											
Male	68	68	100%	68	100%	0	0%	0	0%	0	0%
Female	2	2	100%	2	100%	2	100%	0	0%	0	0%
Other	0	0	0%	0	0%	0	0%	0	0%	0	0%
<b>Total</b>	<b>70</b>	<b>70</b>	<b>100%</b>	<b>70</b>	<b>100%</b>	<b>2</b>	<b>2.86%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>
<b>Other than permanent workers</b>											
Male	352	352	100%	352	100%	0	0%	0	0%	0	0%
Female	13	13	100%	13	100%	13	100%	0	0%	0	0%
Other	0	0	0%	0	0%	0	0%	0	0%	0	0%
<b>Total</b>	<b>365</b>	<b>365</b>	<b>100%</b>	<b>365</b>	<b>100%</b>	<b>13</b>	<b>3.56%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>

2. Details of retirement benefits

Benefits	FY (2022-23)			PY (2021-22)		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100.00%	100.00%	Yes	100.00%	100.00%	Yes
Gratuity	100.00%	100.00%	Yes	100.00%	100.00%	Yes
ESI	15.00%	100.00%	Yes	25.00%	100.00%	Yes

### 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?

Ans. Since the Company operates in chemicals and hazardous environment, at present there are no differently abled employees. Facilities for differently abled persons shall be initiated upon employment of such kind of persons.

### 4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016?

Yes. Equal Opportunity Policy of the Company aims at ensuring that none of the employees with disability is discriminated against on the ground of disability. The Company shall not discriminate with respect to any aspect of the employment relationship including the hiring/selection process, promotions, transfers, provision of training opportunities, compensation, employee benefits, termination or retirement policies, and disciplinary practices. The Equal opportunity policy can be accessed at : [http://www.amiorganics.com/static/uploadfiles/downloads/download\\_7967.pdf?20230902081758](http://www.amiorganics.com/static/uploadfiles/downloads/download_7967.pdf?20230902081758)

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

Gender	Permanent employees		Permanent workers	
	Permanent workers	Retention rate	Return to work rate	Retention rate
Male	0	0	NA	NA
Female	0	0	NA	NA
Total	0	0	NA	NA

### 6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker?

If yes, give details of the mechanism in brief.	Yes/No	(If Yes, then give details of the mechanism in brief)
Permanent Workers	Yes	The Company has grievance handling policy, which is available internally, To promote supportive and open culture for accepting, assessing resolving complaints in most transparent and ethical manner. A Internal Grievance Committee is constituted at every plant location, inclusive of members comprising of Director, Senior person from HR, Plant head and other members, to address the concerns raised by employees and provide prompt and fair resolution following efficient procedure :
Other than Permanent Workers	Yes	
Permanent Employees	Yes	
Other than Permanent Employees	Yes	Employee and worker shall discuss the same with immediate superior and department Head.
		If the grievance is not resolved after discussion at department level, the employee and worker shall raise the grievance through HRIS at Unit Level and if still not addressed, employee can approach Manager HR or Stakeholders Grievance Committee.

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

Benefits	Total employees/ workers in respective category (A)	FY (2022-23)		PY (2021-22)	
		No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)
Total Permanent Employees	602	0	0%	532	0
Male	566	0	0%	496	0
Female	36	0	0%	36	0
Other	0	0	0%	0	0
Total Permanent Workers	365	0	0%	364	0
Male	352	0	0%	354	0
Female	13	0	0%	10	0
Other	0	0	0%	0	0

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

Category	FY (2022-23)					PY (2021-22)				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
Male	566	566	100%	480	84.81%	496	496	100%	320	64.52%
Female	36	36	100%	30	83.33%	36	36	100%	31	86.11%
Other	0	0	0%	0	0%	0	0	0%	0	0%
<b>Total</b>	<b>602</b>	<b>602</b>	<b>100%</b>	<b>510</b>	<b>84.72%</b>	<b>532</b>	<b>532</b>	<b>100%</b>	<b>351</b>	<b>65.98%</b>
<b>Workers</b>										
Male	352	352	100%	166	47.16%	354	354	100%	80	22.60%
Female	13	13	100%	10	76.92%	10	10	100%	10	100%
Other	0	0	0%	0	0%	0	0	0%	0	0%
<b>Total</b>	<b>365</b>	<b>365</b>	<b>100%</b>	<b>176</b>	<b>48.22%</b>	<b>364</b>	<b>364</b>	<b>100%</b>	<b>90</b>	<b>24.73%</b>

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

Category	FY (2022-23)			PY (2021-22)		
	Total (A)	No. (B)	% (B/A)	Total (D)	No. (E)	% (D / C)
<b>Employees</b>						
Male	566	523	92.40%	496	484	97.58%
Female	36	30	83.33%	36	29	80.56%
Other	0	0	0.00%	0	0	0.00%
<b>Total</b>	<b>602</b>	<b>553</b>	<b>91.86%</b>	<b>532</b>	<b>513</b>	<b>96.43%</b>
<b>Workers</b>						
Male	352	352	100.00%	354	354	100.00%
Female	13	13	100.00%	10	10	100.00%
Other	0	0	0.00%	0	0	0.00%
<b>Total</b>	<b>365</b>	<b>365</b>	<b>100.00%</b>	<b>364</b>	<b>364</b>	<b>100.00%</b>

**10. Health and safety management system:**

Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). Yes, the Company has implemented a robust occupational health & safety management system across all its manufacturing facilities to ensure safe working environment. Coverage is 100%

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

Yes. As part of our ISO 45001:2018 Occupational Health and Safety Management system, we have implemented a structured Hazard Assessment, Risk Assessment, and Management Process. This includes both qualitative and quantitative assessments of the hazards associated with our operations and the use of hazardous chemicals. We regularly review these assessments and develop mitigation plans for high-risk areas.

To ensure the effectiveness of our safety measures, we also conduct third-party safety audits as required by legal regulations. These audits are conducted every years to maintain compliance with safety standards and identify any areas for improvement.

b. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks?

Yes, A safety committee is constituted at all plant locations and employees are encouraged to report the work-related hazards to the safety committee. In addition to this, all employees are also provided with opportunity to discuss work-related incidents during daily meeting conducted at plants

c. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services?

Yes

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

Safety Incident/Number	PY (2021-22)	FY (2022-23)	PY (2021-22)
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees Workers	0 0	0 0
Total recordable work-related injuries	Employees Workers	0 1	1 0
No. of fatalities	Employees Workers	0 0	0 0
High consequence work related injury or ill-health (excluding fatalities)	Employees Workers	0 0	0 0

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

We prioritize safety in all of our operations and have implemented a well-defined and documented Hazard Identification and Risk Assessment process for both routine and non-routine activities. We also have a detailed Permit to Work system in place to ensure that all tasks are carried out safely.

To further ensure the safety of our employees, we have established an Accident Management System that requires all employees to report any accidents, incidents, near misses, or unsafe conditions/acts in the workplace. Each case is thoroughly investigated, and preventive/corrective actions are implemented to prevent future occurrences.

As part of induction program, all employees of the Company are provided with training on Health and Safety at workplace by EHS department. In addition to this, safety mock drills are also conducted periodically for all employees to prepare them for quick response during emergencies. All measures as prescribed by ISO standards, Factory Act, Environment Protection Act, Pollution Prevention Act, are taken to ensure safe environment and workplace. Best practices such as Risk Assessment, Workplace Exposure Measurement, regular medical checkups, and accident/incident reporting are routinely implemented.

In addition, we have established adequate emergency preparedness measures to mitigate any unforeseen events. We are committed to maintaining a safe and secure workplace for all employees.

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

	FY (2022-23)			PY (2021-22)		
	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:**

% of your plants and offices that were assessed (by entity or statutory authorities or third parties)	
Health and safety practices	100.00%
Working Conditions	100.00%

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

During the past financial year, there were no significant safety-related incidents that required reporting. However, there were a few first-aid related incidents that occurred, which were promptly addressed through appropriate corrective and preventive actions.

## Leadership Indicators

- Does the entity extend any life insurance or any compensatory package in the event of death of**
  - Employees (Y/N) : Yes
  - Workers (Y/N) : Yes
- Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

As per the provisions in Company policy, all value chain partners are required to provide proof of statutory dues paid within time limit to respective authorities while raising the sales invoices.
- 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 are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

	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 (2022-23)	PY (2021-22)	FY (2022-23)	PY (2021-22)
Employees	0	0	0	0
Workers	0	0	0	0

- 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)**

No
- Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	0.00%
Working Conditions	0.00%
- 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



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

## Essential Indicators

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

The company has identified both internal and external stakeholder groups that have an immediate impact on its operations and functioning. These stakeholder groups include Employees, Customers, Investors and Shareholders , Suppliers, Local Communities, Non-Governmental Organisations (NGOs), Contractors ,Regulatory Authorities.

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

Sr. No.	Stakeholder Group	Whether identified as Vulnerable & Marginalized Group	Channels of communication	Frequency of engagement	Purpose and scope of engagement including key topics and concerns raised during such engagement
1	Shareholders	No	E-mail <ul style="list-style-type: none"> <li>• Annual Report</li> <li>• Press releases</li> <li>• Company website</li> <li>• Regulatory filings</li> </ul>	Quarterly As per requirement	Financial performance, Business growth, Business strategy, Future investments, Transparency, Good governance practices, Social responsibility, Environmental initiatives of the Company
2	Employees	No	<ul style="list-style-type: none"> <li>• Employee engagement</li> <li>• Newsletters</li> <li>• Policies</li> <li>• Training and development</li> </ul>	Regularly	<ul style="list-style-type: none"> <li>• Environment, Health and safety</li> <li>• Training and learning</li> <li>• Career Development and Growth opportunities</li> <li>• Job security</li> <li>• Fair remuneration</li> <li>• Diverse, inclusive, and enabling work culture</li> <li>• Employees Well being</li> </ul>
3	Customers	No	<ul style="list-style-type: none"> <li>• Surveys</li> <li>• Performance review meetings</li> <li>• Customer meetings and audits</li> </ul>	Regularly	<ul style="list-style-type: none"> <li>• Product quality and safety</li> <li>• Data privacy and security</li> <li>• Value added services</li> <li>• Supply chain management</li> </ul>
4	Suppliers	No	<ul style="list-style-type: none"> <li>• Supplier performance evaluation</li> <li>• Supplier engagement forum</li> <li>• Procurement meetings</li> </ul>	As per requirement	<ul style="list-style-type: none"> <li>• Ethical business conduct</li> <li>• Risk and opportunity management</li> <li>• Material sourcing</li> <li>• Contract development and procurement</li> <li>• Timely payment of invoices</li> </ul>
5	Local Communities	Yes	Community Meetings <ul style="list-style-type: none"> <li>• CSR projects</li> <li>• Employee social impact</li> <li>• Awareness programs</li> </ul>	Continuous / Need based,	Health, Education, Sanitation, Community Development Initiatives ,Local Hiring, etc.
6	Contractors	No	Notice Board	Continuous basis	Compliance with applicable laws and regulations, Efficient service, Long-term association, Health & Safety
7	Regulatory Authorities	No	<ul style="list-style-type: none"> <li>• Legal filings</li> <li>• Industry representations</li> <li>• Forums</li> </ul>	As per requirement	<ul style="list-style-type: none"> <li>• Business &amp; environmental performance of the Company</li> <li>• Regulatory compliance</li> <li>• Statutory approvals</li> <li>• Corporate governance</li> <li>• Disclosures</li> </ul>

## 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.**

The consultation with stakeholders on various economic, environmental and social aspects have been delegated to respective business / function heads, who gathers feedback and addresses concerns. The Company strives to continue engagement with its key stakeholders who helps to set expectations, thereby establishing trust and fostering open communication

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics.**

Yes, the Company has conducted stakeholder consultation, as a part of its materiality assessment by engaging with its key internal stakeholders. This has aided in identification of key material environmental, social and governance topics and develop effective strategies for efficient management of identified material topics. Based on the identified factors, the Company has formulated an Environment, Social and Government (ESG) policy which acts a guided policy commitment for the management of the material factors in the business operations

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

The Company has implemented various initiatives with the help of its CSR team for the vulnerable and marginalized stakeholder groups. The CSR projects carried out by the Company cover education, healthcare, water, sanitation, rural development and environment.



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

### Essential Indicators

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

Category	FY (2022-23)			PY (2021-22)		
	Total (A)	No. of employees/ workers covered (B)	% (B / A)	Total (C)	No. of employees/ workers covered (D)	% (D / C)
	<b>Employees</b>					
Permanent	532	532	100%	461	461	100%
Other than permanent	0	0	0%	0	0	0%
<b>Total Employees</b>	<b>532</b>	<b>532</b>	<b>100%</b>	<b>461</b>	<b>461</b>	<b>100%</b>
	<b>Workers</b>					
Permanent	70	70	100%	71	62	87.32%
Other than permanent	365	365	100%	364	300	82.42%
<b>Total Workers</b>	<b>435</b>	<b>435</b>	<b>100%</b>	<b>435</b>	<b>362</b>	<b>83.22%</b>

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

Category	FY (2022-23)			PY (2021-22)		
	Total (A)	Equal to Minimum Wage No. (B)	% (B/A)	Total (D)	Equal to Minimum Wage No. (E)	% (E/D)
<b>Employees</b>						
Permanent	532	0	0%	461	0	0%
Male	498	0	0%	427	0	0%
Female	34	0	0%	34	0	0%
Other	0	0	0%	0	0	0%

Category	FY (2022-23)					PY (2021-22)				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Other than 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	0	0	0%	0	0%	0	0	0%	0	0%
<b>Workers</b>										
Permanent	70	0	0%	70	100%	71	0	0%	71	100%
Male	68	0	0%	68	100%	69	0	0%	69	100%
Female	2	0	0%	2	100%	2	0	0%	2	100%
Other	0	0	0%	0	0%	0	0	0%	0	0%
Other than Permanent	365	365	100%	0	0%	364	364	100%	0	0%
Male	352	352	100%	0	0%	354	354	100%	0	0%
Female	13	13	100%	0	0%	10	10	100%	0	0%
Other	0	0	0%	0	0%	0	0	0%	0	0%

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

	Male		Female		Other	
	Number	Median remuneration/ salary/ wages of respective category (in Rs.)	Number	Median remuneration/ salary/ wages of respective category (in Rs.)	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	6	1,12,20,000	2	10,00,000	0	0
Key Managerial Personnel	1	50,00,004	1	12,24,000	0	0
Employees other than BoD and KMP	492	3,50,016	35	3,39,996	0	0
Workers	420	2,87,328	14	2,41,644	0	0

**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. The ESG Committee constituted by Board aid and advise the management in its approach towards building sustainable human rights policies and overview of implementation. Human Resource department is identified as responsible authority to implement the policy and conduct periodic audits to ensure compliance with the policy provisions. Human Rights policy focuses on essential elements, e.g., Freely chosen employment, No underage workers, Minimum wage/hour and other benefits, Humane treatment, Freedom of collective bargaining and Workplace health and safety

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

The Company has adopted Grievance Redressal and Handling Policy and Human Rights Policy as it is committed to create an environment which inculcates respect and support for human rights and seeks to avoid connivance in human rights abuses. Both the policies are available internally for all employees. The company supports the dignity and well-being of all stakeholders including employees, management, community, customers and suppliers. As outlined in the policy, HR is made responsible for implementation, periodic review, and compliance of the Human Rights matters.

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

Benefits	FY (2022-23)		Remarks	PY (2021-22)		Remarks
	Filed during the year	Pending resolution at the end of year		Filed during the year	Pending resolution at the end of year	
Sexual Harassment	0	0	NIL	1	0	NIL
Discrimination at workplace	0	0		0	0	
Child Labour	0	0	NIL	0	0	NIL
Forced Labour/Involuntary Labour	0	0	NIL	0	0	NIL
Wages	0	0	NIL	0	0	NIL
Other humanrights related issues	0	0	NIL	0	0	NIL

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

The Company has Prevention of Sexual Harassment Policy in place. Company has constituted Internal Complaints Committees for addressing the sexual harassment complaints and providing resolution with utmost fair manner and integrity. The policy has defined steps on how to raise complaints with the corrective actions for offenders and provision of protection to complainant. Under the policy, complainants are protected from any adverse action of management / head of departments and they are not mis treated or face any sort of discrimination, if they raise their concerns.

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

Yes, the Company ensures that the Human Rights Requirements form a part of the business agreements, and contracts.

**9. Assessments for the year**

% of your plants and offices that were assessed (by entity or statutory authorities or third parties)	
Child labour	100.00%
Forced/involuntary labour	100.00%
Sexual harassment	100.00%
Discrimination at workplace	100.00%
Wages	100.00%

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

NIL

**Leadership Indicators**

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

No such grievances on human rights violations.

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

Company has applied for recertification for SA8000. The social audit covered labour issues, workers safety and well being measures, health and safety concerns of employees and workers, working of POSH committee, minimum wages as per act, risk management overview,

**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

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

% of value chain partners (by value of business done with such partners) that were assessed	
Sexual harassment	0.00%
Discrimination at workplace	0.00%
Child Labour	0.00%
Forced Labour/Involuntary Labour	0.00%
Wages	0.00%

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

Employees living cost survey has been conducted on and above minimum wage compliances.



**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: In Giga Joules**

Parameter	FY (2022-23)	PY (2021-22)
Total electricity consumption (A)	41056.35	3345709
Total fuel consumption (B)	50097.64	24162.35
Energy consumption through other sources (C)	94621.64	69741.73
<b>Total energy consumption (A+B+C)</b>	<b>185775.63</b>	<b>127361.17</b>
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees million)	30.122	24.486
Energy intensity (optional) – the relevant metric may be selected by the entity	–	–

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?

Yes. Growlity Private Limited

**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?**

No.

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

Parameter	FY (2022-23)	PY (2021-22)
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	96617.46	79719
(ii) Groundwater	0	0
(iii) Third party water	0	0
(iv) Seawater / desalinated water	0	0
(v) Others	7510.97	9866
<b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>	<b>104128.43</b>	<b>89585</b>
Total volume of water consumption (in kilolitres)	104128.43	89585
Water intensity per rupee of turnover (Water consumed / turnover Rs. million)	16.884	17.224
Water intensity (optional) – the relevant metric may be selected by the entity	–	–

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?

Yes. Growlity Private Limited

**4. Has the entity implemented a mechanism for Zero Liquid Discharge?**

Yes. The Company's manufacturing site at Sachin, Gujarat is a Zero Liquid Discharge Site which uses zero liquid discharge technology for wastewater treatment.

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

Parameter	Please specify unit	FY (2022-23)	PY (2021-22)
NOx	Microgram/m3	18.61	20
SOx	Microgram/m3	24.88	21.01
Particulate matter (PM)	Microgram/m3	PM 10: 83 PM 2.5: 44.03	PM 10: 49.18 PM 2.5: 42
Persistent organic pollutants (POP)	-	0	0
Volatile organic compounds (VOC)	-	Below detection limit	Below detection limit
Hazardous air pollutants (HAP)	-	Not Applicable	Not Applicable

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

Parameter	Unit	FY (2022-23)	PY (2021-22)
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 Equivalent	23367.00	12,765.00
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 Equivalent	11417.18	8954.66
Total Scope 1 and Scope 2 emissions per rupee of turnover	MTCO2/Rs. Million	5.640	4.176
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	NA	NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)

Yes. Growlity Private Limited

**7. Does the entity have any project related to reducing Green House Gas emission?**

Yes. In Jhagadia unit company has planted more than 1100 trees. Company has also planted around 3500 trees to develop a green belt in Sachin GIDC, which will allow to set off and minimize GHG emissions. In a year, Company aim to absorb and eliminate up to 100,000 kg of CO2 equivalent.

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

Parameter	FY (2022-23)	PY (2021-22)
<b>Total Waste generated (in metric tonnes)</b>		
Plastic waste (A)	128.09	138.83
E-waste (B)	0	0
Bio-medical waste (C)	0.0036	0.0011
Construction and demolition waste (D)	0	0
Battery waste (E)	1.46	0
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any. (G)	1575.27	1960.04
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	Recycle plastic 60.6 Wooden 1.17 Metal 81.93	Recycle plastic 154.10 Metal 45.01
<b>Total (A+B + C + D + E + F + G + H)</b>	<b>1848.5236</b>	<b>2297.9811</b>
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Recycled	3822.73	7409.13
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
<b>Total</b>	<b>3822.73</b>	<b>7409.13</b>

Parameter	FY (2022-23)	PY (2021-22)
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Incineration	27.33	0
(ii) Landfilling	1080.93	1328.044
(iii) Other disposal operations	0	0
<b>Total</b>	<b>1108.26</b>	<b>1328.044</b>

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)

Yes. Hazardous waste through online XGN Manifest System

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

We have filter press, Sludge Drying beds and Agitated Thin Film Dryer(ATFD) followed by Multi Effect Evaporator( MEE) to remove solid from the liquid effluent, by treating effluent using Lime & Alum treatment. And after various treatment of effluent sludge safely disposed to Government Approved TSDF Site.

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

Not applicable as our unit has no operation /offices in /around ecological sensitive areas.

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

Environment Impact Assessment has not been undertaken during FY 2022-23.

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

Yes

### Leadership Indicators

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

Parameter	FY (2022-23)	PY (2021-22)
<b>From renewable sources</b>		
<b>Total electricity consumption (A)</b>		
Total electricity consumption (A)	-	-
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
<b>Total energy consumed from renewable sources (A+B+C)</b>	<b>0</b>	<b>0</b>
<b>From non-renewable sources</b>		
Total electricity consumption (D)	41056.3476	33457.0788
Total fuel consumption (E)	50097.61	24162.33
Energy consumption through other sources (F)	94621.63809	69741.7344
<b>Total energy consumed from non-renewable sources (D+E+F)</b>	<b>185775.5957</b>	<b>127361.1432</b>

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)

Yes. Growlity Private Limited

2. Provide the following details related to water discharged:

Parameter	FY (2022-23)	PY (2021-22)
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) To Surface water	0	0
No treatment	0	0
With treatment – please specify level of treatment	0	0
(ii) To Groundwater	0	0
No treatment	0	0
With treatment – please specify level of treatment	0	0
(iii) To Seawater	0	0
No treatment	0	0
With treatment – please specify level of treatment	0	0
(iv) Sent to third-parties	0	0
No treatment	0	0
With treatment – please specify level of treatment	0	0
(v) Others	22810	33045
No treatment	0	0
With treatment – please specify level of treatment	22810	33045
<b>Total water discharged (in kilolitres)</b>	<b>22810</b>	<b>33045</b>

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)

Yes. GPCB and NCTL

3. **Water withdrawal, consumption and discharge in areas of water stress (in kilolitres): For each facility / plant located in areas of water stress, provide the following information:**

None of our manufacturing units fall under water stress areas

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

Parameter	Unit	FY (2022-23)	PY (2021-22)
<b>Total Scope 3 emissions</b> (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 Equivalent	8329.65	11252.02 TCO2 EQ
<b>Total Scope 3 emissions per rupee of turnover</b>	MTCO2 /RS Million	1.350	1.824
<b>Total Scope 3 emission intensity</b> (optional) – the relevant metric may be selected by the entity	-	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)

Yes. Growlity Private Limited

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

None of our manufacturing units fall under ecologically sensitive areas.

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

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

Sr. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative	Corrective action taken, if any
1.	During the financial year of review Company has successfully developed and commercialized 2 products under continuous flow reactors.	Continuous flow reactors are more efficient and sustainable when compared to manufacturing products using traditional reactors. Company has successfully developed capabilities in Plug Flow, Catalytic fixed-bed flow, Tubular flow kind of reactors. This technology reduces the cycle time to manufacture a product, less energy consumptions which leads to lower utilization of efficient utilities.	Company got benefits of less space, less energy and also less process times after establishing so many flow processes / reactors compared with traditional reactors. The benefits derived are increase in yield, reduction in timelines of the reaction process, proportionate reduction in cost of manufacturing and reduction in power consumption. Company increased yield of its four products, decreased consumption of raw materials in eight products, decreased consumption charge of solvent in products, recovered few products from pollutants	NIL

**7. Does the entity have a business continuity and disaster management plan?**

Yes. Company has implemented a comprehensive business continuity and disaster management plan to ensure the smooth operation of its business. Specifically, our disaster management plan consists of onsite emergency protocols. These plans are readily accessible at each of our locations, and we have taken measures to ensure that our employees are well-trained in handling emergency situations.

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

No significant impact.

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

0.00%


**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.

5

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

Sr. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/ National/International)
1	United Nations Global Compact (UNGC)	International
2	The Southern Gujarat Chamber of Commerce and Industry	National
3	Confederation of Indian Industry	National
4	Chemexil set up by the Ministry of Commerce & Industry Government of India	National
5	Federation of Gujarat Industries	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.

Sr. No.	Name of authority	Brief of the case	Corrective action taken
1	NIL	There were no adverse orders passed by regulatory authorities against the company, as no anti-competitive conduct was found to have been committed by the company.	Not Applicable

**Leadership Indicators**

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

Sr. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board	Web Link,if available
1	NIL	Not Applicable	No		NIL



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

### Essential Indicators

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

Sr. No.	Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency	Results communicated in public domain	Relevant Web link
1	NIL	NIL	NIL	No	No	NIL

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

Sr. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
1	NIL	NIL	No	0	0.00%	0

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

The company has established a process to receive and address concerns/grievances from the community. A site-level committee, comprising members from various departments, is formed to receive both written and verbal concerns and work towards their redressal. The committee conducts joint field visits and investigations to appropriately address the concerns in a timely manner. All concerns are recorded and tracked for closure.

The Stakeholder Grievance Redressal Policy is available on the website of the Company. Please refer Link here [http://www.amiorganics.com/static/uploadfiles/downloads/download\\_1008.pdf?20230220115137](http://www.amiorganics.com/static/uploadfiles/downloads/download_1008.pdf?20230220115137)

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

	FY (2022-23)	PY (2021-22)
Directly sourced from MSMEs/ small producers	20.00%	17.00%
Sourced directly from within the district and neighbouring districts	42.00%	39.00%

### 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):**

Sr. No.	Details of negative social impact identified	Corrective action taken
1	Not Applicable	Not Applicable

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

Sr. No.	State	Aspirational District	Amount spent (In INR)
1	NIL	The company has implemented CSR projects/activities in Gujarat and Uttar Pradesh states of India. However, it has not undertaken any CSR activities in the designated aspirational districts identified by government bodies	0

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?

0.00%

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
1	NIL	No	No	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.

Sr. No.	Name of authority	Brief of the Case	Corrective action taken
1	NIL	Not Applicable	NIL

6. Details of beneficiaries of CSR Projects:

Sr. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Shree Gujarat Vanvasi Kalyan Parishad	55	100%
2	Guru Maa Mahila Grah Udyog Samiti	126	100%
3	Sevarth Sansthan Seth	366	100%
4	GCSA Foundation	13	100%
5	Shree Brahmani Charitable Trust	220	100%
6	Raika Education Charitable Trust	200	100%
7	Friends of Tribal Society	440	100%
8	Distribution of healthcare kit, books and stationaries, foodgrains & clothes items.	487	100%
9	Distribution of educational books for children in association with Rotary Club of Surat	250	100%
10	Payment of School fees for needy children	3	100%



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

### Essential Indicators

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

The Company has a robust mechanism in place to channelise and redress consumer complaints, welcomes feedback for incorporation in business operations through on-going interactions, and strives to respond to them promptly. With the intent to work in collaboration with its consumers, the Company has a dedicated segment on its website 'Enquire Now' which provides a platform to the consumers and other stakeholders to raise any query.

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

	As a percentage to total turnover
Environmental and social parameters relevant to the product	0.00%
Safe and responsible usage	100.00%
Recycling and/or safe disposal	100.00%

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

Benefits	FY (2022-23)			PY (2021-22)		
	Received during the year	Pending resolution at end of year	Remark	Received during the year	Pending resolution at end of year	Remark
Data privacy	0	0	NA	0	0	NA
Advertising	0	0	NA	0	0	NA
Cyber-security	0	0	NA	0	0	NA
Delivery of essential services	0	0	NA	0	0	NA
Restrictive Trade Practices	0	0	NA	0	0	NA
Unfair Trade Practices	0	0	NA	0	0	NA
Other	24	0	Customer Issues	37	0	Customer Issues

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

	Number	Reasons for recall
Voluntary recalls	0	NA
Forced recalls	0	NA

#### 5. Does the entity have a framework/ policy on cyber security and risks related to data privacy?

Yes. The company has developed a comprehensive framework for managing cybersecurity and data privacy risks, and is in the final stages of implementing the ISO 27001 standard for information security.

#### 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.

NIL, since there are no instances.

### Leadership Indicators

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

Available on website : <https://www.amiorganics.com/index.php>

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

In compliance with globally harmonized system regulations, our company provides material safety data sheets and product labels on packaging.

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

The Company informs through emails and phone calls, in case if it is required to inform customers of any risk of disruption/discontinuation of essential services.

**4. Does the entity display product information on the product over and above what is mandated as per local laws?**

Yes. In compliance with globally harmonized system regulations, company provides material safety data sheets and product labels on packaging.

**5. Provide the following information relating to data breaches**

a. **Number of instances of data breaches along-with impact-** 0

b. **Percentage of data breaches involving personally identifiable information of customers** -0%

# Independent Auditor's Report

To  
The members of  
**Ami Organics Limited**

## Report on the Audit of Standalone Financial Statements

### Opinion

We have audited the accompanying standalone financial statements of AMI ORGANICS LIMITED (CIN-L24100GJ2007PLC051093) ("the Company"), which comprise the balance sheet as at 31st March 2023, the statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the statement of cash flows for the year ended on that date and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023 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 in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the standalone financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current year. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

#### The key audit matters

##### Capitalisation of Assets

There are a number of areas where management judgement impacts the carrying value of property, plant and equipment, and their respective depreciation profiles. These include: – the decision to capitalise or expense costs; – the annual asset life review including the impact of changes in the strategy; and – the timeliness of the transfer from assets in the course of construction. Refer Note 1.9 – of the standalone financial statements "Property, plant and equipment".

#### How our audit addressed the key audit matter

We tested controls in place over the property, plant and equipment cycle, evaluated the appropriateness of capitalisation policies, performed tests of details on costs capitalised and assessed the timeliness of the transfer of assets in the course of construction and the application of the asset life. In performing these substantive procedures, we assessed the judgements made by management including: – the nature of underlying costs capitalised; – the appropriateness of asset lives applied in the calculation of depreciation. Assessed the appropriateness of work in progress on balance sheet date by evaluating the underlying documentation to identify possible delays.

##### Inventories

At 31 March 2023, Inventory of Finished Goods is disclosed in note 11 – Inventories.

Our procedures included the following to assess inventory cost:

Assessing the reasonableness of the methodologies applied by management for consistency with prior years and our knowledge of industry practice.

### The key audit matters

In order to carry inventory at the lower of cost and net realisable value, management has identified overheads cost and made adjustments to the carrying value of these items, the calculation of which requires certain estimates and assumptions. These judgments include bifurcation of overhead cost on the Finish good, using factors existing at the reporting date. i.e., overheads are charged to the Finished goods.

### How our audit addressed the key audit matter

- Evaluating the assumptions and estimates applied to the methodologies
  - testing the identification of such inventories.
  - testing the accuracy of historical information and data trends.
- Sample Testing the estimated future sales values, less estimated costs to sell against the carrying value of the inventories.
- Recalculating the arithmetical accuracy of the computations.

### Information other than the Standalone Financial Statements and Auditor's Report thereon

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

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

### Responsibility of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### Auditor's Responsibilities for the Audit of the Standalone financial statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has an adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter

should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit report 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.
  - c) The balance sheet, the statement of profit and loss, including other comprehensive income, the cash flow statement and statement of changes in equity dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder.
  - e) On the basis of written representations received from the directors as on 31 March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023, from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure A"**; and
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
 

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
  - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements. Refer Note 40 to the standalone financial statements.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses under the applicable law or accounting standards.

- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company, if any; and
- iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our

notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. According to information and explanations given to us:
  - (a) The final dividend proposed in the previous year, declared and paid by the Company during the year, is in accordance with section 123 of the Act, as applicable.
  - (b) The Board of Directors of the Company has proposed a final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.
- 2. As required by the Companies (Auditor's Report) Order, 2020 (“the Order”) issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the **“Annexure- B”** a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Maheshwari & Co.**  
Chartered Accountants  
Firm's Registration No.105834W

**Pawan Gattani**  
Partner  
Place: Surat  
Date: May 13, 2023  
Membership No. 144734  
UDIN: 23144734BGRHYZ7895

# Annexure 'A' to the Independent Auditors' Report

(Referred to in paragraph 1(f) under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date)

## Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of AMI ORGANICS LIMITED ("the Company") as of 31 March 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note 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. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether

adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgments, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

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

### Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

In our opinion, to the best of our information and according to explanation given to us, the Company has maintained, in all material respects, adequate internal financial controls over

financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Maheshwari & Co.**  
Chartered Accountants  
Firm's Registration No.105834W

**Pawan Gattani**  
Partner

Place: Surat  
Date: May 13, 2023

Membership No. 144734  
UDIN: 23144734BGRHYZ7895

## Annexure 'B' to the Independent Auditors' Report

### (Referred to in paragraph 2 under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

1. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
  - a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.
  - (B) The Company has maintained proper records showing full particulars of intangible assets.
- b) The Company has a program of physical verification of property, plant and equipment and right-of-use assets so to cover all the assets once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain property, plant and equipment and right-of-use assets were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- c) Based on our examination of the property tax receipts and lease agreement for land on which building is constructed, registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title in respect of self-constructed buildings and title deeds of all other immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favor of the lessee), disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.
- d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year
- e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder,

2. a) According to information and explanations given to us, the inventory has been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of verification is reasonable. The company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- b) According to information and explanations given to us, The Company has been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion, the company files a monthly statement to the bank. The company maintains proper records. The discrepancies noticed on verification of record and compared with the books of account were not material.
3. The Company has made investments in, companies, firms, Limited Liability Partnerships, and granted unsecured loans to other parties, during the year, in respect of which:
  - (a) The Company has provided any loans or advances in the nature of loans during the year and details of which are given below:

Particulars	Amount (In Lakhs)
<b>Aggregate amount granted/ provided during the Year</b>	_____
• Ami Organics Electrolytes Private Limited (Wholly Owned Subsidiary)	21.00
<b>Balance outstanding (gross) as at balance sheet date in respect of the above cases</b>	_____
• Ami Organics Electrolytes Private Limited (Wholly Owned Subsidiary)	21.00

The Company has not provided any guarantee or security to any other entity during the year.

  - (b) In our opinion, the investments made and the terms and conditions of the grant of loans during the year are, *prima facie*, not prejudicial to the Company's interest.
  - (c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest have generally been regular as per stipulation.
  - (d) In respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
  - (e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.

(f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.

The Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.

4. According to information and explanations given to us, the company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investment and providing guarantees and securities, as applicable.

5. According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of Sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed thereunder during the year. Accordingly, the provisions of clause (v) of paragraph 3 of the Order are not applicable to the Company.

b) According to the information and explanations given to us, there are no dues of Goods and Service Tax, sales tax, service tax, customs duty, excise duty, value added tax and cess, which have not been deposited on account of any dispute with the relevant authorities. Details of dues of Income-tax which have not been deposited as on 31st March 2023 on account of disputes are given below:

Particulars	Nature of dues	Forum where dispute is pending	Year to which the amount relates	Amount Involved (Rs in. lakhs)
The Income tax Act,1961	Income Tax	CIT Appeal	A.Y. 2012-13	204.68
The Income tax Act,1961	Income Tax	CIT Appeal	A.Y. 2015-16	61.90
The Income tax Act,1961	Income Tax	CIT Appeal	A.Y. 2016-17	2.99

8. 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).

9. (a) The Company has not defaulted in the repayment of loans or borrowings or in the payment of interest thereon to any lender during the year.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) According to the information and explanations given to us, term loans were applied for the purpose for which the loans were obtained

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, *prima facie*, not been used during the year for long-term purposes by the Company.

6. In our opinion and according to the information and explanations given to us, the maintenance of cost records has been prescribed by the Central Government under section 148(1) of the Companies Act, 2013, in respect of the activities carried on by the Company. We have broadly reviewed the books of account relating to materials; Labor and other items of cost maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records and are of the opinion that *prima facie* the prescribed accounts and records have been maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

7. a) According to the information and explanation given to us, the Company has been generally regular in depositing the undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income tax, sales tax, service tax, Goods and Service Tax, custom duty, excise duty, value added tax, cess and other material statutory dues as applicable with the appropriate authorities. No undisputed amounts payable in respect of the aforesaid statutory dues were outstanding as on the last day of the financial year for a year of more than six months from the date they became payable.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiary or joint venture company.

10. (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under Clause (x)(a) of the Order is not applicable.

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

11. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year, if any (and up to the date of this report), while determining the nature, timing and extent of our audit procedures.
12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions of clause 3(xii) of the Order are not applicable to the Company.
13. In our opinion and according to the information and explanations given to us the Company is in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements etc. as required by the applicable accounting standards.
14. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
15. In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
16. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi) (a), (b) and (c) of the Order is not applicable.
- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
17. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
18. There has been no resignation of the statutory auditors of the Company during the year.
19. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
20. (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
- (b) There are no unspent amounts towards Corporate Social Responsibility (CSR) requiring a transfer to a special account in compliance with provision of sub section (6) of section 135 of the said Act. Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable for the year.

For **Maheshwari & Co.**  
 Chartered Accountants  
 Firm's Registration No.105834W

**Pawan Gattani**  
 Partner

Place: Surat  
 Date: May 13, 2023

Membership No. 144734  
 UDIN: 23144734BGRHYZ7895

# Standalone Balance Sheet

as at 31 March 2023

Particulars	Note No.	Rs. in Lakhs	
		As at 31 March 2023	As at 31 March 2022
		Audited	Audited
<b>ASSETS</b>			
<b>Non Current Assets</b>			
Property, Plant and Equipment	2	18,435.38	15,844.31
Right-of-Use Assets	3	3,741.91	1,936.57
Capital work-in-progress	4	2,551.76	189.16
Other Intangible assets	5	31.86	7.18
Intangible assets under development	6	427.78	106.89
Financial Assets			
Investments	7	3,345.28	3,340.43
Loans	8	21.73	—
Other financial assets	9	624.11	1,085.73
Other non-current assets	10	—	279.78
<b>Total Non-current Assets</b>		<b>29,179.81</b>	<b>22,790.05</b>
<b>Current assets</b>			
Inventories	11	11,917.30	11,217.09
Financial Assets			
Trade receivables	12	23,026.11	16,166.12
Cash and cash equivalents	13	3,047.71	966.14
Bank balances other than Cash and Cash equivalents	14	2,813.76	8,925.49
Loans	15	133.57	46.41
Current Tax Assets (Net)	16	322.09	494.06
Other current assets	17	5,505.80	4,855.23
<b>Total Current Assets</b>		<b>46,766.34</b>	<b>42,670.54</b>
<b>Total Assets</b>		<b>75,946.15</b>	<b>65,460.59</b>
<b>EQUITY and LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	18	3,643.71	3,643.71
Other Equity	19	55,034.84	48,156.67
<b>Total Equity</b>		<b>58,678.55</b>	<b>51,800.38</b>
<b>Non-current liabilities</b>			
Financial Liabilities			
Borrowings	20	38.42	58.80
Provisions	21	68.14	43.60
Deferred tax liabilities net	22	882.58	626.43
<b>Total Non-current liabilities</b>		<b>989.14</b>	<b>728.83</b>
<b>Current liabilities</b>			
Financial Liabilities			
Borrowings	23	297.44	25.60
Trade Payables	24		
Total outstanding dues of micro enterprises and small enterprises		7,651.11	1,508.05
Total outstanding dues of others		6,546.09	10,333.03
Other current liabilities	25	644.81	462.64
Provisions	26	1,139.01	602.06
<b>Total Current liabilities</b>		<b>16,278.46</b>	<b>12,931.38</b>
<b>Total liabilities</b>		<b>17,267.60</b>	<b>13,660.21</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>75,946.15</b>	<b>65,460.59</b>

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached

**For Maheshwari & Co.**  
 Chartered Accountants  
 FRN 105834W

**Pawan Gattani**  
 Partner  
 M.No: 144734

Place: Surat  
 Date: May 13, 2023

**Nareshkumar R. Patel**  
 Chairman & Managing Director  
 DIN: 00906232

**Bhavin Shah**  
 Chief Financial Officer  
 PAN: AXXPS0017M

**Chetankumar C. Vagharia**  
 Whole Time Director  
 DIN: 01375540

**Ekta Kumari**  
 Company Secretary  
 M No: A - 27323

# Standalone Statement of Profit and Loss

for the year ended 31 March 2023

Particulars	Note No.	Rs. in Lakhs	
		For the Year ended 31 March 2023	For the Year ended 31 March 2022
		Audited	Audited
<b>Income</b>			
Revenue From Operations	27	61,673.40	52,013.50
Other Income	28	431.98	276.23
<b>Total Income</b>		<b>62,105.38</b>	<b>52,289.73</b>
<b>Expenses</b>			
Cost of materials consumed	29	34,585.12	28,233.30
Changes in inventories of finished goods, Stock in Trade and work in progress	30	(1,495.59)	(949.67)
Employee benefits expense	31	4,883.61	4,136.64
Finance costs	32	241.42	640.73
Depreciation and amortization expense	33	1,234.24	1,008.02
Other expenses	34	11,434.11	10,075.67
<b>Total Expenses</b>		<b>50,882.91</b>	<b>43,144.69</b>
<b>Profit/(loss) before tax</b>		<b>11,222.47</b>	<b>9,145.04</b>
<b>Tax expense</b>	35		
Current tax		2,637.72	1,672.15
Deferred tax		250.49	278.28
<b>Total Tax expense</b>		<b>2,888.21</b>	<b>1,950.43</b>
<b>Profit/(loss) after tax for the year</b>		<b>8,334.26</b>	<b>7,194.61</b>
<b>Other Comprehensive Income</b>			
<b>Items that will not be reclassified subsequently to profit or loss</b>			
Remeasurement of defined employee benefit plans,net		16.83	60.35
<b>Total Other Comprehensive Income</b>		<b>16.83</b>	<b>60.35</b>
<b>Total Comprehensive Income for the year</b>		<b>8,351.09</b>	<b>7,254.96</b>
<b>Earnings per equity share</b>			
Basic (Rs.)	36	22.87	21.03
Diluted (Rs.)		22.87	21.03

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date attached

For **Maheshwari & Co.**  
Chartered Accountants  
FRN 105834W

**Pawan Gattani**  
Partner  
M.No: 144734

Place: Surat  
Date: May 13, 2023

For and on behalf of the Board of Directors of **Ami Organics Limited**

**Nareshkumar R. Patel**  
Chairman & Managing Director  
DIN: 00906232

**Bhavin Shah**  
Chief Financial Officer  
PAN: AXXPS0017M

**Chetankumar C. Vagharia**  
Whole Time Director  
DIN: 01375540

**Ekta Kumari**  
Company Secretary  
M No: A - 27323

# Standalone Statement of Cash Flow

for the year ended 31 March 2023

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit Before Tax	11,222.47	9,145.04
<b>Adjustments for:</b>		
Depreciation and amortisation	1,234.24	1,008.02
(Gain)/Loss on disposal of property, plant and equipment	74.66	–
Finance Cost	241.42	544.91
Interest Income	(217.89)	(258.18)
Dividend Income	(0.03)	–
Unrealised (gain) / loss	(213.23)	(59.24)
<b>Operating profit before working capital changes</b>	<b>12,341.64</b>	<b>10,380.55</b>
<b>Adjustment for (increase) / decrease in operating assets</b>		
Trade receivables	(6,646.75)	(4,138.14)
Loans & Advances	(108.88)	(12.98)
Other financial assets	461.62	(815.13)
Inventories	(700.21)	(5,180.78)
Other assets	(370.80)	(1,328.02)
<b>Adjustment for (Increase) / decrease in operating liabilities</b>		
Trade payables	2,356.12	3,267.20
Other Liabilities	182.17	(1,053.33)
Provisions	503.33	192.84
<b>Cash generated from operations</b>	<b>8,018.24</b>	<b>1,312.22</b>
Income tax paid (net)	(2,445.44)	(2,281.38)
<b>Net cash (used)/generated by operating activities</b>	<b>5,572.80</b>	<b>(969.16)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Bank deposits placed	6,111.73	(8,925.49)
Purchase of property, plant and equipment (Incl. Capital WIP & Intangible Assets)	(6,566.79)	(3,279.74)
Right of Use Asset	(1,805.35)	–
Purchase of Investment	(4.85)	(299.84)
Dividend received	0.03	–
Interest received	217.89	258.18
<b>Net cash (used in) / generated by investing activities</b>	<b>(2,047.34)</b>	<b>(12,246.89)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net Proceeds / (Repayment) from long term borrowings (Net)	210.12	(13,579.16)
Finance cost	(241.42)	(544.91)
Dividend paid (including tax on dividend)	(1,093.57)	–
Issue of Equity Shares	–	29,999.99
Share Issue Expense	(319.02)	(1,849.67)
<b>Net cash (used)/generated in financing activities</b>	<b>(1,443.89)</b>	<b>14,026.25</b>
Net increase / (decrease) in cash and cash equivalents	2,081.57	810.20
Cash and cash equivalents at the beginning of the year	966.14	155.94
<b>Cash and cash equivalents at the end of the year</b>	<b>3,047.71</b>	<b>966.14</b>

As per our report of even date attached

For **Maheshwari & Co.**  
Chartered Accountants  
FRN 105834W

**Pawan Gattani**  
Partner  
M.No: 144734

Place: Surat  
Date: May 13, 2023

For and on behalf of the Board of Directors of **Ami Organics Limited**

**Nareshkumar R. Patel**  
Chairman & Managing Director  
DIN: 0096232

**Chetankumar C. Vagharia**  
Whole Time Director  
DIN: 01375540

**Bhavin Shah**  
Chief Financial Officer  
PAN: AXXPS0017M

**Ekta Kumari**  
Company Secretary  
M No: A - 27323

# Standalone Statement of change in Equity

for the year ended 31 March 2023

## A. Equity Share Capital

### Current reporting year

Particulars	Rs. in Lakhs
	Amount
<b>As at 1 April, 2022</b>	3,643.71
Changes in Equity Share Capital due to Prior Period Errors	–
<b>Restated Balance as at 1 April, 2022</b>	3,643.71
Changes in Equity Share Capital during the year	–
<b>As at 31 March, 2023</b>	<b>3,643.71</b>

### Previous reporting year

Particulars	Rs. in Lakhs
	Amount
<b>As at 1 April, 2021</b>	3,150.00
Changes in Equity Share Capital due to Prior Period Errors	–
<b>Restated Balance as at 1 April, 2021</b>	3,150.00
Changes in Equity Share Capital during the year	493.71
<b>As at 31 March, 2022</b>	<b>3,643.71</b>

## B. Other Equity

### Current reporting year

Particulars	Reserves & Surplus			Other Item of OCI (Actuarial gains and losses)	Rs. in Lakhs
	Capital Reserve	Securities premium	Retained Earnings		
<b>Balance as at 1 April, 2022</b>	200.02	27,656.62	20,322.72	(22.69)	48,156.67
Changes in Accounting Policy or Prior Period Errors	–	–	–	–	–
<b>Restated balance as at 1 April, 2022</b>	<b>200.02</b>	<b>27,656.62</b>	<b>20,322.72</b>	<b>(22.69)</b>	<b>48,156.67</b>
Add: Profit/(Loss) during the year	–	–	8,334.27	–	8,334.27
Remeasurement Gain/(Loss) of defined Benefit Plan (net of tax)	–	–	–	16.84	16.84
<b>Total Comprehensive Income/(Expense)</b>	<b>200.02</b>	<b>27,656.62</b>	<b>28,656.99</b>	<b>(5.85)</b>	<b>56,507.77</b>
Dividend on Equity Shares (Incl. DDT)	–	–	(1,093.17)	–	(1,093.17)
Add: Transfer from P&L	–	–	–	–	–
Add: Issue of Equity Shares	–	–	–	–	–
Add/(Less): Share issue Expenses	–	(379.77)	–	–	(379.77)
(Add)/Less: Adjustment	–	–	–	–	–
<b>Balance As at 31 March, 2023</b>	<b>200.02</b>	<b>27,276.85</b>	<b>27,563.82</b>	<b>(5.85)</b>	<b>55,034.84</b>

# Standalone Statement of change in Equity

for the year ended 31 March 2023

## Previous reporting year

Particulars	Reserves & Surplus				Rs. in Lakhs
	Capital Reserve	Securities premium	Retained Earnings	Other items of OCI	
<b>Balance as at 1 April, 2021</b>	–	–	13,128.11	(83.04)	13,045.08
Changes in Accounting Policy or Prior Period Errors	–	–	–	–	–
<b>Restated balance as at 1 April, 2021</b>	–	–	<b>13,128.11</b>	<b>(83.04)</b>	<b>13,045.08</b>
Net profit/(loss) during the year	–	–	7,194.61	–	7,194.61
Remeasurement Gain/(Loss) of defined Benefit Plan(net of tax)	–	–	–	60.35	60.35
<b>Total Comprehensive Income/(Expense)</b>	<b>–</b>	<b>–</b>	<b>20,322.72</b>	<b>(22.69)</b>	<b>20,300.04</b>
Dividend on Equity Shares (Incl. DDT)	–	–	–	–	–
Add: Transfer from P&L	200.02	–	–	–	200.02
Add: Issue of Equity Shares	–	27,656.62	–	–	27,656.62
(Add)/Less: Adjustment	–	–	–	–	–
(Add)/Less: Adjustment	–	–	–	–	–
<b>Balance As at 31 March, 2022</b>	<b>200.02</b>	<b>27,656.62</b>	<b>20,322.72</b>	<b>(22.69)</b>	<b>48,156.67</b>

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date attached

For **Maheshwari & Co.**  
Chartered Accountants  
FRN 105834W

**Pawan Gattani**  
Partner  
M.No: 144734

Place: Surat  
Date: May 13, 2023

For and on behalf of the Board of Directors of **Ami Organics Limited**

**Nareshkumar R. Patel**  
Chairman & Managing Director  
DIN: 00906232

**Chetankumar C. Vaghisia**  
Whole Time Director  
DIN: 01375540

**Bhavin Shah**  
Chief Financial Officer  
PAN: AXXPS0017M

**Ekta Kumari**  
Company Secretary  
M No: A - 27323

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

## Company overview

Ami Organics Limited (“the Company”) was originally formed as a partnership firm under the Partnership Act, 1932 in the name of “Ami Organics” pursuant to a deed of partnership dated January 3, 2004 with Promoters, among others, as partners. “Ami Organics” was then converted into private limited company under part IX of the Companies Act, 1956 under the name of “Ami Organics Private Limited” vide certificate of incorporation dated June 12, 2007 issued by Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Further, pursuant to a resolution passed by our shareholders on April 5, 2018, Company was converted into a public limited company, following which Company’s name was changed to “Ami Organics Limited”, and a fresh certificate of incorporation was issued on April 18, 2018 having its registered office at Plot no. 440/4, 5 & 6, Road No. 82/A, GIDC Sachin, Surat GJ 394230. The Company is engaged in business of drugs intermediate chemicals and related activities.

The Standalone Financial Statements are approved by the company’s Board of Directors on May 13, 2023.

## 1 Significant accounting policies

### Statement of compliance

Standalone Financial Statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under the Section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

### 1.1 Basis of preparation of financial statements

The separate financial statements of the company are prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention on the accrual basis as per the provisions of the Companies Act, 2013 (“the Act”), except for:

- Financial instruments – measured at fair value;
- Plan assets under defined benefit plans – measured at fair value
- Employee share-based payments – measured at fair value
- In addition, the carrying values of recognised assets and liabilities, designated as hedged items in fair value hedges that would otherwise be carried at cost, are adjusted to record changes in the fair values attributable to the risks that are being hedged in effective hedge relationship.

### 1.2 Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is classified as current when it satisfies any of the following criteria: it is expected to be realised in, or is intended for sale or consumption in, the Company’s normal operating cycle.

it is held primarily for the purpose of being traded;

- It is expected to be realised within 12 months after the reporting date; or
- It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.
- All other assets are classified as non-current.
- A liability is classified as current when it satisfies any of the following criteria:
  - It is expected to be settled in the Company’s normal operating cycle;
  - It is held primarily for the purpose of being traded
  - It is due to be settled within 12 months after the reporting date; or the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current only

The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The Standalone Financial Statements have been presented in Indian Rupees (INR), which is the Company’s functional currency. All financial information presented in INR has been rounded off to the nearest two decimals of Crore, unless otherwise stated.

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

## 1.3 Use of estimates

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Actual results could differ from those estimates.

This note provides an overview of the areas where there is a higher degree of judgment or complexity. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation.

### The areas involving critical estimates or judgments are:

- Valuation of financial instruments
- Useful life of property, plant and equipment
- Defined benefit obligation
- Provisions
- Recoverability of trade receivables
- Recognition of revenue and allocation of transaction price
- Current tax expense and current tax payable

Estimates and judgments are regularly revisited. Estimates are based on historical experience and other factors, including futuristic reasonable information that may have a financial impact on the company.

### Summary of significant accounting policies

A summary of the significant accounting policies applied in the preparation of the financial statements is as given below. These accounting policies have been applied consistently to all the periods presented in the financial statements.

## 1.4 Fair value measurement

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's Management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

Disclosures for valuation methods, significant estimates and assumptions (note 45)

Financial instruments (including those carried at amortised cost) (note 45)

## 1.5 Revenue recognition

Revenue is recognised when control of goods is transferred to a customer in accordance with the terms of the contract. The control of the goods is transferred upon delivery to the customers either at factory gate of the Company or specific location of the customer or when the goods are handed over to the freight carrier, as per the terms of the contract. A receivable is recognised by the Company when the goods are delivered to the customer as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due.

Revenue from services, including those embedded in contract for sale of goods, namely, freight and insurance services mainly in case of export sales, is recognised upon completion of services.

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

Revenue is measured based on the consideration to which the Company expects to be entitled as per contract with a customer. The consideration is determined based on the price specified in the contract, net of the estimated variable consideration. Accumulated experience is used to estimate and provide for the variable consideration, using the expected value method and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. Contracts with customers are for short-term, at an agreed price basis having contracted credit period ranging up to 180 days. The contracts do not grant any rights of return to the customer. Returns of goods are accepted by the Company only on an exception basis. Revenue excludes any taxes or duties collected on behalf of government that are levied on sales such as goods and services tax.

Eligible export incentives are recognised in the year in which the conditions precedent are met and there is no significant uncertainty about the collectability.

## Other Income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

## 1.6 Inventories:

- i) Raw materials – is valued at the lower of cost or net realisable value. The cost is determined on FIFO / specific identification basis.
- ii) Finished goods – valued at the lower of cost or net realisable value. The cost of material is determined on FIFO/specific identification basis.
- iii) Work-in-progress is valued at material cost including appropriate production overhead.
- iv) Stores and spares are valued at the lower of cost or net realisable value. Cost is determined on FIFO basis.

Due allowances are made for slow | non-moving, defective and obsolete inventories based on estimates made by the Company.

## 1.7 Foreign currency transactions and translation

### i) Functional and presentation currency:

Items included in the Standalone Financial Statements of the Company are measured using the currency of the primary economic environment in which the Company operates (functional currency). The Standalone Financial Statements of the Company are presented in Indian currency, which is also the functional currency of the Company.

### ii) Transactions and balances:

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gain | (loss) resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the Standalone Statement of Profit and Loss, except that they are deferred in other equity if they relate to qualifying cash flow hedges. Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Standalone Statement of Profit and Loss, within finance costs. All other foreign exchange gain | (loss) presented in the Standalone Statement of Profit and Loss are on a net basis within other income.

Non-monetary items that are measured at fair value and denominated in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain | (loss). Non-monetary items that are measured in terms of historical cost in a foreign currency are not revalued.

## 1.8 Taxes

### Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The Company determines the tax as per the provisions of Income Tax Act 1961 and other rules specified thereunder.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

## Deferred tax

Deferred tax is provided in full using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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.

## 1.9 a) Property, plant and equipment

Property, plant and equipment are stated at cost net of accumulated depreciation and where applicable

accumulated impairment losses. Property, plant and equipment and capital work in progress cost include expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials, direct labour and any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Property, plant and equipment that are not ready for intended use as on the date of Standalone Balance Sheet are disclosed as 'capital work-in-progress'.

## Subsequent Cost

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is de-recognised and charged to the statement of Profit and Loss. The costs of the day-to-day servicing of property, plant and equipment are recognised in the Statement of Profit and Loss.

## b) Intangible assets

Intangible assets are stated at cost less accumulated amortisation and impairment loss.

The system software which is expected to provide future enduring benefits is capitalised. The capitalised cost includes license fees and cost of implementation/system integration. Computer software cost is amortised over a period of three years using the straight-line method.

Development expenditure qualifying as an intangible asset, if any, is capitalised, to be amortised over the economic life of the product/patent.

## Depreciation and amortisation

The charge in respect of periodic depreciation is derived after determining an estimate of expected useful life and the expected residual value of the assets at the end of its useful life. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life.

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

The depreciation on tangible assets is calculated on SLM method over the estimated useful life of assets prescribed by the Schedule II to the Companies Act 2013 as follows:

Asset class	Estimated Useful Life
Plant and machinery	20 years
Office equipment	5 years
Computers/Servers	3/6 years
Vehicles	8 years
Furniture and fixtures	10 years
Electrical installation	10 years
Office premises	60 years
Residential premises	60 years
Factory Building	30 years
Computer Softwares (Perpetual)	3 years

The useful life has been determined based on technical evaluation done by the Management/experts, which are different from the useful life prescribed in Part C of Schedule II of the Act in order to reflect actual use of the assets. The residual values ,useful life and method of depreciation of property, plant and equipment are reviewed annually and adjusted prospectively, if appropriate.

The carrying amount of an asset is written down immediately to its recoverable amount if the carrying amount of the asset is greater than its estimated recoverable amount.

Land accounted under finance lease is amortised on a straight-line basis over the primary period of lease.

## Derecognition of assets

An item of property plant & equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the statement of profit and loss when the asset is derecognised.

## 1.10 Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The

contingent liability is not recognised in books of account but its existence is disclosed in financial statements.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

## 1.11 Contingent Assets

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by future events not wholly within the control of the entity.

Contingent assets require disclosure only. If the realisation of income is virtually certain, the related asset is not a contingent asset and recognition is required.

## 1.12 Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) 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 Company's 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.

A previously recognised impairment loss is further provided or reversed depending on changes in the circumstances and to the extent that carrying amount of the assets does not exceed the carrying amount that will be determined if no impairment loss had previously been recognised.

## 1.13 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

## 1.14 Financial instruments

### Initial recognition

The company recognise the financial asset and financial liabilities when it becomes a party to the contractual provisions of the instruments. All the financial assets and financial liabilities are recognised at fair value on initial recognition, except for trade receivable which are initially recognised at transaction price. Transaction cost that are directly attributable to the acquisition of financial asset and financial liabilities, that are not at fair value through profit and loss, are added to the fair value on the initial recognition.

### Subsequent measurement

#### (A) Non derivative financial instruments

##### (i) Financial Assets at amortised cost

A financial assets is measured at the amortised cost if both the following conditions are met :

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. All the Loans and other receivables under financial assets (except Investments) are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Trade receivables do not carry any interest and are stated at their nominal value as reduced by impairment amount.

##### (ii) Financial Assets at Fair Value through Profit or Loss/Other comprehensive income

Instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

If the company decides to classify an instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in

the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the company may transfer the cumulative gain or loss within equity.

##### (iii) Financial liabilities

The measurement of financial liabilities depends on their classification, as described below:

##### (a) Loans and borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. If not, the fee is deferred until the draw down occurs.

Borrowings are removed from the Standalone Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income / (expense).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period”

##### (b) Trade & other payables

After initial recognition, trade and other payables maturing within one year from the Balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

##### (B) Derivative financial instruments

The company holds derivatives financial instruments such as foreign exchange forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. Company has taken all the forward contract from the bank.

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

The company have derivative financial assets/financial liabilities which are not designated as hedges;

Derivatives not designated are initially recognised at the fair value and attributable transaction cost are recognised in statement of profit and loss, when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit and loss. Asset/Liabilities in this category are presented as current asset/current liabilities.

## Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

## 1.15 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised 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.

Other borrowing costs are expensed in the period in which they are incurred.

## 1.16 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, as they are considered an integral part of the Company's cash management.

## 1.17 Employee Benefits

### i) Defined contribution plans (Provident Fund)

In accordance with Indian Law, eligible employees receive benefits from Provident Fund, which is defined contribution plan. Both the employee and employer make monthly contributions to the plan, which is administrated by the Government authorities, each

equal to the specific percentage of employee's basic salary. The Company has no further obligation under the plan beyond its monthly contributions. Obligation for contributions to the plan is recognised as an employee benefit expense in the Statement of Profit and Loss when incurred.

### ii) Defined benefit plans (Gratuity)

Gratuity liability is a defined benefit obligation and is computed on the basis of an actuarial valuation by an actuary appointed for the purpose as per projected unit credit method at the end of each financial year. The liability or asset recognised in the Standalone Balance Sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The liability so provided is paid to a trust administered by the Company, which in turn invests in eligible securities to meet the liability as and when it becomes due for payment in future. Any shortfall in the value of assets over the defined benefit obligation is recognised as a liability with a corresponding charge to the Standalone Statement of Profit and Loss.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows with reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate at the beginning of the period to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Standalone Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur directly in other comprehensive income. They are included in retained earnings in the Statement of changes in equity and in the Standalone Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

The Company recognises all Remeasurement of net defined benefit liability/asset directly in other comprehensive income and presented within equity.

### iii) Short term benefits

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as a

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

related service provided. A liability is recognised for the amount expected to be paid under short term cash bonus or profit sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

## 1.18 Lease

The Company assesses whether a contract is, or contains a lease, at inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: i) the contract involves the use of an identified asset, ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and iii) the Company has the right to direct the use of the asset.

At the commencement date of the lease, the Company recognises a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for short-term leases (leases with a term of twelve months or less), leases of low value assets and, for contract where the lessee and lessor has the right to terminate a lease without permission from the other party with no more than an insignificant penalty. The lease expense of such short-term leases, low value assets leases and cancellable leases, are recognised as an operating expense on a straight-line basis over the term of the lease.

At the commencement date, lease liability is measured at the present value of the lease payments to be paid during the non-cancellable period of the contract, discounted using the incremental borrowing rate. The right-of-use assets is initially recognised at the amount of the initial measurement of the corresponding lease liability, lease payments made at or before commencement date less any lease incentives received and any initial direct costs.

Subsequently, the right-of-use asset is measured at cost less accumulated depreciation and any impairment losses. Lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using effective interest rate method) and reducing the carrying amount to reflect the lease payments made. The right-of-use asset and lease liability are also adjusted to reflect any lease modifications or revised in-substance fixed lease payments.

## 1.19 Earnings per share

Basic and diluted earnings per share are computed by dividing the net profit attributable to equity shareholders for the year, by the weighted average number of equity shares outstanding during the year.

## 1.20 Research and Development expenditure

Expenditure on research is recognised as an expense when it is incurred. Expenditure on development which does not meet the criteria for recognition as an intangible assets is recognised as an expense when it is incurred. Items of Property, Plant and Equipment and acquired Intangible assets are used for research and development are capitalised and depreciated in accordance with the policies stated for Property, Plant and Equipment and Intangible assets.

## 1.21 Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

**Ind AS 1 – Presentation of Financial Statements**-This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the financial statements.

**Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors**-This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its financial statements.

**Ind AS 12 – Income Taxes**- This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its financial statement.

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

## 2 Property, Plant and Equipment

### Current reporting year

Particulars	Building	Plant and Machinery	Furniture and Fixtures	Vehicles	Office equipment	Computers	Total	Rs. in Lakhs
<b>Cost as at 1 April 2022</b>	5,453.41	11,747.59	514.06	224.39	222.79	283.96	18,446.20	
Addition	523.31	2,363.08	715.95	50.98	35.06	93.47	3,781.86	
Disposals/Adjustment	0.71	19.60	0.33	—	—	—	20.64	
<b>Cost as at 31 March 2023</b>	<b>5,976.01</b>	<b>14,091.07</b>	<b>1,229.68</b>	<b>275.37</b>	<b>257.85</b>	<b>377.43</b>	<b>22,207.41</b>	
<b>Accumulated depreciation as at 1 April 2022</b>	492.72	1,656.08	109.99	57.73	139.01	146.38	2,601.92	
Depreciation charge for the year	153.66	801.94	73.53	27.62	40.61	72.76	1,170.11	
Reversal on disposal/Adjustments	—	—	—	—	—	—	—	
<b>Accumulated depreciation as at 31 March 2023</b>	<b>646.38</b>	<b>2,458.02</b>	<b>183.52</b>	<b>85.35</b>	<b>179.62</b>	<b>219.14</b>	<b>3,772.03</b>	
<b>Net Carrying Amount as at 31 March 2023</b>	<b>5,329.63</b>	<b>11,633.05</b>	<b>1,046.17</b>	<b>190.02</b>	<b>78.24</b>	<b>158.29</b>	<b>18,435.38</b>	

### Previous reporting year

Particulars	Building	Plant and Machinery	Furniture and Fixtures	Vehicles	Office equipment	Computers	Total	Rs. in Lakhs
<b>Cost as at 1 April 2021</b>	5,060.87	9,949.67	348.80	120.00	210.62	179.64	15,869.60	
Addition	392.54	1,797.92	165.26	104.39	12.17	104.32	2,576.60	
Disposals/Adjustment	—	—	—	—	—	—	—	
<b>Cost as at 31 March 2022</b>	<b>5,453.41</b>	<b>11,747.59</b>	<b>514.06</b>	<b>224.39</b>	<b>222.79</b>	<b>283.96</b>	<b>18,446.20</b>	
Accumulated depreciation as at 1 April 2021	332.00	1,008.00	77.00	37.00	100.00	98.00	1,652.00	
<b>Depreciation charge for the year</b>	160.72	648.08	32.99	20.73	39.01	48.38	949.92	
Reversal on disposal/Adjustments	—	—	—	—	—	—	—	
<b>Accumulated depreciation as at 31 March 2022</b>	<b>492.72</b>	<b>1,656.08</b>	<b>109.99</b>	<b>57.73</b>	<b>139.01</b>	<b>146.38</b>	<b>2,601.92</b>	
<b>Net Carrying Amount as at 31 March 2022</b>	<b>4,960.69</b>	<b>10,091.51</b>	<b>404.07</b>	<b>166.66</b>	<b>83.78</b>	<b>137.58</b>	<b>15,844.31</b>	

## 3 Right of Use Assets

Particulars	As at 31 March 2023	Rs. in Lakhs
<b>Cost as at 1 April 2022</b>		1,992.58
Addition		1,846.70
Disposals		—
Adjustment		—
<b>Cost as at 31 March 2023</b>		<b>3,839.28</b>
<b>Accumulated amortisation as at 1 April 2022</b>		56.01
Ammortization charge for the year		41.35
Reversal on Disposal of assets		—
<b>Accumulated amortisation as at 31 March 2023</b>		<b>97.36</b>
<b>Net Carrying Amount as at 31 March 2023</b>		<b>3,741.91</b>

Particulars	As at 31 March 2022	Rs. in Lakhs
<b>Cost as at 1 April 2021</b>		1,992.58
Addition		—
Disposals		—
Adjustment		—
<b>Cost as at 31 March 2022</b>		<b>1,992.58</b>
Accumulated amortisation as at 1 April 2021		—
Ammortization charge for the year		56.01
Reversal on Disposal of assets		—
<b>Accumulated amortisation as at 31 March 2022</b>		<b>56.01</b>
<b>Net Carrying Amount as at 31 March 2022</b>		<b>1,936.57</b>

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

## 4 Capital work-in-progress

Particulars	Rs. in Lakhs	
	As at 31 March 2023	As at 31 March 2022
Opening Balance	189.16	—
Add: Addition during the year	2,448.28	189.16
Less: Capitalised during the year	(85.69)	—
<b>Closing Balance</b>	<b>2551.76</b>	<b>189.16</b>

### 4.1 Capital Work-in-Progress Ageing Schedule

Current reporting year 31 March 2023

Particulars	Rs. in Lakhs				
	Amount in CWIP for a period of	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years
Projects in progress	2,362.60	189.16	—	—	2,551.76
Projects temporarily suspended	—	—	—	—	—

Previous reporting year 31 March 2022

Particulars	Rs. in Lakhs				
	Amount in CWIP for a period of	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years
Projects in progress	189.16	—	—	—	189.16
Projects temporarily suspended	—	—	—	—	—

## 5 Other Intangible assets

Particulars	Rs. in Lakhs		As at 31 March 2023
	Software	Trademark	
<b>Cost as at 1 April 2022</b>	—	9.28	9.28
Addition	26.81	—	26.81
Disposals	—	—	—
Adjustment	—	—	—
<b>Cost as at 31 March 2023</b>	<b>26.81</b>	<b>9.28</b>	<b>36.09</b>
<b>Accumulated amortisation as at 1 April 2022</b>	—	2.10	2.10
Ammortization charge for the year	1.66	0.47	2.13
Reversal on Disposal of assets	—	—	—
<b>Accumulated amortisation as at 31 March 2023</b>	<b>1.66</b>	<b>2.57</b>	<b>4.23</b>
<b>Net Carrying Amount as at 31 March 2023</b>	<b>25.15</b>	<b>6.71</b>	<b>31.86</b>

Particulars	Rs. in Lakhs		As at 31 March 2022
	Trademark	As at 31 March 2022	
<b>Cost as at 1 April 2021</b>	0.75	0.75	0.75
Addition	8.53	8.53	8.53
Disposals	—	—	—
Adjustment	—	—	—
<b>Cost as at 31 March 2022</b>	<b>9.28</b>	<b>9.28</b>	<b>9.28</b>
<b>Accumulated amortisation as at 1 April 2021</b>	—	—	—
Ammortization charge for the year	2.10	2.10	2.10
Reversal on Disposal of assets	—	—	—
<b>Accumulated amortisation as at 31 March 2022</b>	<b>2.10</b>	<b>2.10</b>	<b>2.10</b>
<b>Net Carrying Amount as at 31 March 2022</b>	<b>7.18</b>	<b>7.18</b>	<b>7.18</b>

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

## 6 Intangible assets under development

Particulars	As at		As at 31 March 2022	Rs. in Lakhs
	31 March 2023	31 March 2022		
Opening Balance		106.89	—	
Add: Addition during the year		320.89	109.49	
Less: Capitalised during the year		—	(2.60)	
<b>Closing Balance</b>	<b>427.78</b>		<b>106.89</b>	

### 6.1 Intangible assets under development ageing Schedule

Current reporting year 31 March 2023

Particulars	CWIP Amount in CWIP for a period of				As at 31 March 2023	Rs. in Lakhs
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years		
Projects in progress	320.89	106.48	0.05	0.36	427.78	
Projects temporarily suspended	—	—	—	—	—	—

Previous reporting year 31 March 2022

Particulars	CWIP Amount in CWIP for a period of				As at 31 March 2022	Rs. in Lakhs
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years		
Projects in progress	89.48	2.66	0.36	14.40	106.89	
Projects temporarily suspended	—	—	—	—	—	—

## 7 Investments - non current

Particulars	As at		As at 31 March 2022	Rs. in Lakhs
	31 March 2023	31 March 2022		
Investment in subsidiary carried at cost		1.00	—	—
Investment in Joint venture carried at cost		3,179.21	3,169.12	
Investment in others at cost (refer note 7.1)		165.07	171.31	
<b>Total</b>	<b>3,345.28</b>		<b>3,340.43</b>	

### 7.1 Details of Investments

Name of Entity	No of Shares	As at		As at 31 March 2022	Rs. in Lakhs
		31 March 2023	31 March 2022		
Globe Enviro Care Limited, Unquoted	74,171.00	10.46	74,171.00	10.46	
Sachin Industrial Co. Operative Society, Unquoted	3,009.00	0.35	3,006.00	0.33	
Prodigy Biotech Inc, Unquoted	6,05,000.00	145.54	6,05,000.00	151.80	
Narmada Cleantech Limited, Unquoted	82,176.00	8.60	82,176.00	8.60	
Bharuch Enviro Infrastructure Limited, Unquoted	1,260.00	0.13	1,260.00	0.13	
<b>Total</b>	<b>165.07</b>			<b>171.31</b>	

### Aggregate details of Investment

Particulars	As at		As at 31 March 2022	Rs. in Lakhs
	31 March 2023	31 March 2022		
Aggregate market value as at the end of the year		165.07	171.31	
Market value of quoted investments		—	—	
<b>Market value of Un-quoted investments</b>	<b>165.07</b>		<b>171.31</b>	

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

## 8 Loans - non current financial assets

Particulars	Rs. in Lakhs	
	As at 31 March 2023	As at 31 March 2022
Loans to Wholly Owned Subsidiary	21.73	—
<b>Total</b>	<b>21.73</b>	<b>—</b>

## 9 Other financial assets - non current

Particulars	Rs. in Lakhs	
	As at 31 March 2023	As at 31 March 2022
Security deposits	402.84	778.05
Other receivables	52.42	101.67
Surplus of Investment over liability	168.85	206.01
<b>Total</b>	<b>624.11</b>	<b>1,085.73</b>

Investment in Key Man Insurance is Measured at Surrender value to the extent details are available, in cases where details are not available regarding Surrender value or Fund NAV, same has been taken at cost of Premium.

## 10 Other non current assets

Particulars	Rs. in Lakhs	
	As at 31 March 2023	As at 31 March 2022
Prepaid expenses	—	279.78
<b>Total</b>	<b>—</b>	<b>279.78</b>

## 11 Inventories

Particulars	Rs. in Lakhs	
	As at 31 March 2023	As at 31 March 2022
Raw materials	6,756.18	7,839.92
Work-in-progress	1,711.94	1,110.45
Finished goods	2,832.67	1,938.57
Packing Material	616.51	328.15
<b>Total</b>	<b>11,917.30</b>	<b>11,217.09</b>

## 12 Trade Receivables

Particulars	Rs. in Lakhs	
	As at 31 March 2023	As at 31 March 2022
Unsecured, considered good*	23,026.11	16,166.12
<b>Total</b>	<b>23,026.11</b>	<b>16,166.12</b>

\*Note: Refer Note 12.a for Details of Hypothecation/Mortgage.

### Trade Receivables Ageing schedule

For Current Reporting Year 31 March 2023

Particulars	Undue- Considered Good	Outstanding for following periods from due date of payment						As at 31 March 2023
		Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years		
<b>Undisputed Trade receivables</b>								
-considered good	19,579.16	3,203.33	228.23	7.91	9.72	1.74	23,030.09	
-which have significant increase in credit risk	—	—	—	—	—	—	—	
-credit impaired	—	—	—	—	—	—	—	

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

## 12 Trade Receivables (Contd..)

Particulars	Undue-Considered Good	Outstanding	for following periods from due date of payment					As at 31 March 2023
			Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
<b>Disputed Trade receivables</b>								
-considered good	—	—	—	—	—	—	—	—
-which have significant increase in credit risk	—	—	—	—	—	—	—	—
-credit impaired	—	—	—	—	—	—	—	—
<b>Sub Total</b>	<b>19,579.16</b>	<b>3,203.33</b>	<b>228.23</b>	<b>7.91</b>	<b>9.72</b>	<b>1.74</b>	<b>23,030.09</b>	
Provision for Expected Credit Loss							(3.98)	
<b>Total</b>							<b>23,026.11</b>	

### For Previous Year 31 March 2022

Particulars	Undue-Considered Good	Outstanding	for following periods from due date of payment					As at 31 March 2022
			Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
<b>Undisputed Trade receivables</b>								
-considered good	11,845.37	4,227.22	76.51	13.77	4.98	—	—	16,167.85
-which have significant increase in credit risk	—	—	—	—	—	—	—	—
-credit impaired	—	—	—	—	—	—	—	—
<b>Disputed Trade receivables</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
-considered good	—	—	—	—	—	—	—	—
-which have significant increase in credit risk	—	—	—	—	—	—	—	—
-credit impaired	—	—	—	—	—	—	—	—
<b>Sub Total</b>	<b>11,845.37</b>	<b>4,227.22</b>	<b>76.51</b>	<b>13.77</b>	<b>4.98</b>	<b>—</b>	<b>—</b>	<b>16,167.85</b>
Provision for Expected Credit Loss							(1.73)	
<b>Total</b>							<b>16166.12</b>	

\*Note: Refer Note 12.a for Details of Hypothecation/Mortgage.

## 12.a Details of Hypothecation / Mortgage

Notes	Particular	Maturity	Term of Repayment	Rs. in Lakhs	
				Interest Rate	
a)	<b>Secured</b>				
	Cash credit loan from banks repayable on demand Including Letter of Credit & Bank Guarantee	Short-term	Repayable on demand	Repo + 2.00%	(31 March 2023, 7.9%)
	Vehicle Loans	Long-term	Upto 3 Years	7.90 % to 10.00%	
b)	<b>Security details:</b> Working capital loans repayable on demand from banks is secured by hypothecation of tangible current assets, namely, inventories and book debts of Sachin Facility of the Company and also secured by second and subservient charge on immovable assets (Plot No. 440/5, 6 , 8206/B located in Sachin GIDC) & Movable Assets of Sachin Facility of the Company .				

## 13 Cash and cash equivalents

Particulars	Rs. in Lakhs	
	As at 31 March 2023	As at 31 March 2022
Balances with Banks	3,040.11	946.01
Cash on hand	7.60	20.13
<b>Total</b>	<b>3,047.71</b>	<b>966.14</b>

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

## 14 Bank balances other than Cash and cash equivalents

Particulars	Rs. in Lakhs	
	As at 31 March 2023	As at 31 March 2022
Bank deposits with original maturity of 3-12 months	2,813.76	8,925.49
<b>Total</b>	<b>2,813.76</b>	<b>8,925.49</b>

## 15 Loans - current financial assets

Particulars	Rs. in Lakhs	
	As at 31 March 2023	As at 31 March 2022
Loans to employees	133.57	46.41
<b>Total</b>	<b>133.57</b>	<b>46.41</b>

## 16 Current Tax Assets, net

Particulars	Rs. in Lakhs	
	As at 31 March 2023	As at 31 March 2022
Current Tax Assets, net	322.09	494.06
<b>Total</b>	<b>322.09</b>	<b>494.06</b>

## 17 Other current assets

Particulars	Rs. in Lakhs	
	As at 31 March 2023	As at 31 March 2022
Balances with government authorities	1,632.19	1,566.94
Advances to suppliers	1,792.03	934.45
Prepaid expenses	447.45	52.94
Advances for Capex	1,294.85	1,244.40
Other Receivable	339.28	1056.50
<b>Total</b>	<b>5,505.80</b>	<b>4,855.23</b>

For Previous Year, The fire took place on 26/02/2021 damaging the company's property, plant and equipment and also raw material, packing material and stores and consumables resulting into loss amounting to Rs.1074.93 Lakhs. These assets are fully secured through insurance. The company has initially recognised insurance receivable of Rs.1074.93 Lakhs against such loss and reduced the same to Rs.1045.48 Lakhs after adjusting salvage value of Rs.29.45 Lakhs for left over. Out of which Rs. 762.24 Lakhks has been received from insurance company and balance is provided to profit and loss account under protest.

## 18 Equity Share Capital

Particulars	Rs. in Lakhs	
	As at 31 March 2023	As at 31 March 2022
<b>Authorised Share Capital</b>		
5,00,00,000 (PY - 5,00,00,000) Equity Shares of Rs. 10 each	5,000.00	5,000.00
<b>Issued, subscribed &amp; fully paid up</b>		
3,64,37,062 (PY - 3,64,37,062) Equity Shares of Rs. 10 each	3,643.71	3,643.71
<b>Total</b>	<b>3,643.71</b>	<b>3,643.71</b>

Out of total 3,64,37,062 shares, the company has issued 16,58,374 & 32,78,688 Equity shares fully paid were issued on preferential basis and Intial Public offer respectively.

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

## 18 Equity Share Capital (Contd..)

The Company has only one class of equity shares. Each holder of equity shares is entitled to one vote per share. The dividend proposed, if any by the Board of Directors is subject to approval of the shareholders.

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

### Reconciliation of Share Capital

Particulars	Rs. in Lakhs			
	As at 31 March 2023		As at 31 March 2022	
	Number of Shares	Amount	Number of Shares	Amount
Opening Balance	3,64,37,062.00	3,643.71	3,15,00,000.00	3,150.00
Issued during the year	—	—	49,37,062.00	493.71
<b>Closing balance</b>	<b>3,64,37,062.00</b>	<b>3,643.71</b>	<b>3,64,37,062.00</b>	<b>3,643.71</b>

### Equity Share holder holding more than 5%

Name of Share Holder	As at 31 March 2023		As at 31 March 2022	
	No of Shares	% of Shareholding	No of Shares	% of Shareholding
Nareshkumar R. Patel	40,03,710	10.99%	40,03,710	10.99%
Sheetalben N Patel	36,37,500	9.98%	39,37,500	10.81%
Chetankumar C. Vaghasia	30,97,500	8.50%	30,97,500	8.50%
Parulben Chetanbhai Vaghasia	29,37,500	8.06%	32,37,500	8.89%
Dhwani Girishkumar Chovatia	25,20,000	6.92%	25,20,000	6.92%
Girishkumar Limbabhai Chovatia	30,95,430	8.50%	30,95,430	8.50%
Kiranben Girishbhai Chovatiya	20,40,000	5.60%	30,40,000	8.34%

### Shares held by promoters at 31 March 2023

Name of Promotor	Class of shares	No. of Shares	% of total shares	% Change during the year
Nareshkumar R. Patel	Equity	40,03,710	10.99%	0.00%
Sheetalben N Patel	Equity	36,37,500	9.98%	-0.82%
Parulben Chetanbhai Vaghasia	Equity	29,37,500	8.06%	0.00%
Chetankumar C. Vaghasia	Equity	30,97,500	8.50%	-0.82%

### Shares held by promoters at 31 March 2022

Name of Promotor	Class of shares	No. of Shares	% of total shares	% Change during the year
Nareshkumar R. Patel	Equity	40,03,710	10.99%	0.00%
Sheetalben N Patel	Equity	39,37,500	10.81%	0.00%
Parulben Chetanbhai Vaghasia	Equity	32,37,500	8.89%	-17.78%
Chetankumar C. Vaghasia	Equity	30,97,500	8.50%	0.00%

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

## 19 Other Equity

Particulars	Rs. in Lakhs	
	As at 31 March 2023	As at 31 March 2022
Capital Reserve	200.02	200.02
Securities premium	27,276.85	27,656.62
Retained Earnings	27,563.82	20,322.72
Other items of OCI	(5.85)	(22.69)
<b>Total</b>	<b>55,034.84</b>	<b>48,156.67</b>

### Movement of Other Equity

Particulars	Rs. in Lakhs	
	As at 31 March 2023	As at 31 March 2022
<b>Capital Reserve</b>		
Opening Balance	200.02	—
Add: Transfer from P&L	—	200.02
Less: Deletion	—	—
(Add)/Less: Adjustment	—	—
<b>Closing Balance</b>	<b>200.02</b>	<b>200.02</b>
<b>Securities premium</b>		
Opening Balance	27,656.62	—
Add: Issue of Equity Shares	—	27,656.62
Less: Deletion	—	—
Add/(Less): Share issue Expenses	(379.77)	—
<b>Closing Balance</b>	<b>27,276.85</b>	<b>27,656.62</b>
<b>Retained Earnings</b>		
Balance at the beginning of the year	20,322.72	13,128.11
Add: Profit/(Loss) during the year	8,334.27	7,194.61
Less: Appropriation	—	—
Transfer to General Reserve	—	—
Dividend on Equity Shares (Incl. DDT)	(1093.17)	—
Dividend on Preference Shares (Incl. DDT)	—	—
Remeasurement Gain/(Loss) of defined Benefit Plan(net of tax)	—	—
<b>Balance at the end of the year</b>	<b>27563.82</b>	<b>20,322.72</b>
<b>Other items of OCI</b>		
Opening Balance	(22.69)	(83.04)
Remeasurement Gain/(Loss) of defined Benefit Plan(net of tax)	16.84	60.35
Less: Deletion	—	—
Add/(Less): Adjustment	—	—
<b>Closing Balance</b>	<b>(5.85)</b>	<b>(22.69)</b>
<b>Total</b>	<b>55,034.84</b>	<b>48,156.67</b>

## 20 Borrowings - non current financial liabilities

Particulars	Rs. in Lakhs	
	As at 31 March 2023	As at 31 March 2022
Secured Term loans from Bank	38.42	58.80
<b>Total</b>	<b>38.42</b>	<b>58.80</b>

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

## 20 Borrowings - non current financial liabilities (Contd..)

### Terms of Repayment

Sr No	Name of Lender	Amount	Details	Security
1	Axis Bank - Auto Loan (Bolero)	0.84	Vehicle Loan	Secured by Hypothecation on Particular Vehicle
2	HDFC Eicher Pro Loan-1	8.22		
3	HDFC Eicher Pro Loan-2	8.22		
4	HDFC Bolero Pick Up Loan	3.93		
5	HDFC Ambulance Magic Loan-1	3.98		
6	HDFC Ambulance Magic Loan-2	3.97		
7	HDFC Aura Auto Car Loan	2.84		
8	HDFC Kia Car Loan	6.42		
<b>Total</b>		<b>38.42</b>		

## 21 Provisions - non current

Particulars	Rs. in Lakhs	
	As at 31 March 2023	As at 31 March 2022
Provision for employee benefits	68.14	43.60
<b>Total</b>	<b>68.14</b>	<b>43.60</b>

## 22 Deferred tax liabilities, net

Particulars	Rs. in Lakhs	
	As at 31 March 2023	As at 31 March 2022
Deferred tax liabilities, net	882.58	626.43
<b>Total</b>	<b>882.58</b>	<b>626.43</b>

## 23 Borrowings - current financial liabilities

Particulars	Rs. in Lakhs	
	As at 31 March 2023	As at 31 March 2022
Secured Current maturities of Long term borrowing	20.38	–
Secured Loans repayable on demand from Banks	277.06	25.60
<b>Total</b>	<b>297.44</b>	<b>25.60</b>

### Particulars of Borrowings

Name of Lender/Type of Loan	Rate of Interest	Nature of Security
Axis Bank EPC Loan	Repo Rate + 2.5%	Secured against Fix Deposite with Axis Bank Limited

## 24 Trade Payables - current

Particulars	Rs. in Lakhs	
	As at 31 March 2023	As at 31 March 2022
Total outstanding dues of Micro Enterprise and small enterprise	7,651.11	1,508.05
Total outstanding dues of Creditor of other than Micro Enterprise and small enterprise	6,546.09	10,333.03
<b>Total</b>	<b>14,197.20</b>	<b>11,841.08</b>

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

## 24 Trade Payables - current (Contd..)

### Trade Payables ageing schedule 31 March 2023

Particulars	Undue	Outstanding for following periods from due date of payment				As at 31 March 2023
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	6,393.87	1,090.60	—	—	—	7,484.47
(ii) Others	3,092.20	3,620.53	—	—	—	6,712.73
(iii) Disputed dues- MSME	—	—	—	—	—	—
(iv) Disputed dues- Others	—	—	—	—	—	—
<b>Total</b>	<b>9,486.07</b>	<b>4,711.13</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>14,197.20</b>

### Trade Payables ageing schedule 31 March 2022

Particulars	Undue	Outstanding for following periods from due date of payment				As at 31 March 2022
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	981.64	526.42	—	—	—	1,508.05
Others	8,217.21	2,115.21	0.33	0.28	—	10,333.03
Disputed dues- MSME	—	—	—	—	—	—
Disputed dues- Others	—	—	—	—	—	—
<b>Total</b>	<b>9,198.85</b>	<b>2,641.62</b>	<b>0.33</b>	<b>0.28</b>	<b>—</b>	<b>11,841.08</b>

## 25 Other current liabilities

Particulars		As at 31 March 2023		As at 31 March 2022	
Statutory dues payable		281.22		258.96	
Other Payables		363.59		203.68	
<b>Total</b>		<b>644.81</b>		<b>462.64</b>	

## 26 Provisions - current

Particulars		As at 31 March 2023		As at 31 March 2022	
Provision for employee benefits		10.36		—	
Provision for Expenses		1,128.65		602.05	
<b>Total</b>		<b>1,139.01</b>		<b>602.05</b>	

## 27 Revenue From Operations

Particulars		For Year ended 31 March 2023		For Year ended 31 March 2022	
Sale of products		61,305.68		51,818.77	
Other operating revenues		367.72		194.73	
<b>Total</b>		<b>61,673.40</b>		<b>52,013.50</b>	

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

## 28 Other Income

Particulars	Rs. in Lakhs	
	For Year ended 31 March 2023	For Year ended 31 March 2022
Interest income	217.89	258.18
Net gain on foreign currency translation	213.23	13.17
Other non operationg income	0.86	4.88
<b>Total</b>	<b>431.98</b>	<b>276.23</b>

## 29 Cost of materials consumed

Particulars	Rs. in Lakhs	
	For Year ended 31 March 2023	For Year ended 31 March 2022
<b>Raw Material consumed</b>		
Opening stock	7,839.92	3,866.99
Purchases	33,501.38	32,206.23
Less: Closing stock	6,756.18	7,839.92
<b>Total</b>	<b>34,585.12</b>	<b>28,233.30</b>

## 30 Changes in inventories of finished goods, Stock in Trade and work in progress

Particulars	Rs. in Lakhs	
	For Year ended 31 March 2023	For Year ended 31 March 2022
Opening stock		
Finished Goods	1,938.57	1,226.27
WIP	1,110.45	873.08
Less: Closing Stock		
Finished Goods	2,832.67	1,938.57
WIP	1,711.94	1,110.45
<b>Total</b>	<b>(1,495.59)</b>	<b>(949.67)</b>

## 31 Employee benefits expense

Particulars	Rs. in Lakhs	
	For Year ended 31 March 2023	For Year ended 31 March 2022
Salaries and wages	4,335.69	3,872.90
Contribution to provident and other fund	270.11	148.21
Staff welfare expenses	277.81	115.53
<b>Total</b>	<b>4,883.61</b>	<b>4,136.64</b>

## 32 Finance costs

Particulars	Rs. in Lakhs	
	For Year ended 31 March 2023	For Year ended 31 March 2022
Interest expenses	241.42	640.73
<b>Total</b>	<b>241.42</b>	<b>640.73</b>

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

## 33 Depreciation and amortization expense

Particulars	For Year ended 31 March 2023	For Year ended 31 March 2022	Rs. in Lakhs
Depreciation on Property, Plant and Equipments	1,190.76	949.91	
Amortisation of Intangible Assets	2.13	2.10	
Amortisation of Right of Use Assets	41.35	56.01	
<b>Total</b>	<b>1,234.24</b>	<b>1,008.02</b>	

## 34 Other expenses

Particulars	For Year ended 31 March 2023	For Year ended 31 March 2022	Rs. in Lakhs
Commission	768.27	359.76	
Consumption of stores and spare parts	461.63	276.36	
Insurance	285.38	219.09	
Power and fuel	2,228.49	2,139.64	
Professional fees	288.35	194.24	
Provision for bad and doubtful debts	2.26	1.73	
Rent	39.76	36.81	
Rates and taxes	31.39	54.35	
Selling & Distribution Expenses	305.97	72.87	
Travelling Expenses	151.56	60.85	
<b>Auditor's Remuneration</b>			
Audit Fees	7.50	7.00	
Limited Review fees	7.50	6.50	
Communication Expenses	4.52	10.69	
Conversion and plant operation charges	862.57	859.43	
Directors' commission (other than the Executive Directors)	39.30	12.30	
Directors Sitting Fees	20.70	18.30	
Expenditure on Corporate Social Responsibility initiatives	139.43	96.03	
Freight, clearing and forwarding charges	1,574.29	1,559.22	
Job Work Charges	2,954.14	3,481.23	
Loss from Joint Venture	27.25	12.33	
Loss on assets sold, discarded or demolished	74.66	-	
Printing and Stationery	34.84	30.38	
Repairs and Maintenance	392.85	336.25	
Security Expenses	96.91	79.48	
Miscellaneous Expenses	634.59	150.83	
<b>Total</b>	<b>11,434.11</b>	<b>10,075.67</b>	

## 35 Tax expenses

Particulars	For Year ended 31 March 2023	For Year ended 31 March 2022	Rs. in Lakhs
Current tax	2,637.72	1,672.15	
Deferred tax	250.49	278.28	
<b>Total</b>	<b>2,888.21</b>	<b>1,950.43</b>	

Notes forming part of the Financial Statements

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

## 36 Earning per share

Particulars	Rs. in Lakhs	
	For Year ended 31 March 2023	For Year ended 31 March 2022
Profit for the year	8,334.26	7,194.61
Profit attributable to equity shareholders	8,334.26	7,194.61
Weighted average number of Equity Shares	3,64,37,062	3,42,05,239
Earnings per share basic (Rs)	22.87	21.03
Earnings per share diluted (Rs)	22.87	21.03
Face value per equity share (Rs)	10	10

## 37 Defined Contribution Plan

Particulars	Rs. in Lakhs	
	For Year ended 31 March 2023	For Year ended 31 March 2022
Employers Contribution to Provident Fund	195.59	156.91
Employers Contribution to Employee State Insurance	7.54	10.23
Employers Contribution to Labour Welfare Fund	0.03	0.16

## 38 Defined Benefit Plans

The Company has a funded defined benefit gratuity plan. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service as per the provision of the Payment of Gratuity Act, 1972 with total ceiling on gratuity of Rs.2,000,000.

### Changes in the present value of the defined benefit obligation in respect of Gratuity (funded)

Particulars	Rs. in Lakhs	
	As at 31 March 2023	As at 31 March 2022
Defined Benefit Obligation at beginning of the year	342.82	337.20
Current Service Cost	62.36	48.23
Interest Cost	22.93	30.25
Actuarial (Gain) / Loss	(3.44)	(40.02)
Benefits Paid	(5.06)	(32.84)
Defined Benefit Obligation at year end	419.61	342.82

### Changes in the fair value of plan assets

Particulars	Rs. in Lakhs	
	As at 31 March 2023	As at 31 March 2022
Fair value of plan assets as at the beginning of the year	548.83	21.28
Expected return on plan assets	14.85	16.50
Contributions	0.47	511.05
<b>Fair value of plan assets as at the end of the year</b>	<b>564.15</b>	<b>548.83</b>

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

## 38 Defined Benefit Plans (Contd..)

### Reconciliation of present value of defined benefit obligation and fair value of assets

Particulars	Rs. in Lakhs	
	As at 31 March 2023	As at 31 March 2022
Present value obligation as at the end of the year	419.62	342.82
Fair value of plan assets as at the end of the year	(588.47)	(548.83)
Funded status/(deficit) or Unfunded net liability	(168.85)	(55.12)
Unfunded net liability recognized in balance sheet	—	—
Amount classified as:		
Short term provision	(79.52)	(61.69)
Long term provision	(89.33)	(144.32)

### Expenses recognized in Profit and Loss Account

Particulars	Rs. in Lakhs	
	For Year ended 31 March 2023	For Year ended 31 March 2022
Current service cost	62.36	48.23
Interest cost	(16.46)	28.85
Deficit in acquisition cost recovered	—	—
Expected return on plan assets	—	—
Net actuarial loss/(gain) recognized during the year	—	—
<b>Total expense recognised in Profit and Loss</b>	<b>45.90</b>	<b>77.08</b>

### Actuarial assumptions

Particulars	Rs. in Lakhs	
	As at 31 March 2023	As at 31 March 2022
Discount Rate	7.40%	6.95%
Expected Rate of increase in Compensation Level	7.00%	12.00%
Expected Rate of return on Plan assets	0.00%	0.00%
Mortality Rate	IALM (2012-13) Ult.	IALM (2012-13) Ult.
Retirement Rate	60 Year	60 Year
Average Attained Age	7.43	9.16
Withdrawal Rate	As Per Foot Note 2	2% For All Ages

### Sensitivity Analysis

Particulars	Rs. in Lakhs	
	As at 31 March 2023	As at 31 March 2022
<b>Discount rate Sensitivity</b>		
Increase by 0.5%	405.63	328.52
Decrease by 0.5%	434.51	358.24
<b>Salary growth rate Sensitivity</b>		
Increase by 0.5%	429.62	352.88
Decrease by 0.5%	409.47	332.79
<b>Withdrawal rate (W.R.) Sensitivity</b>		
W.R. x 110%	420.49	343.48
W.R. x 90%	418.56	341.87

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

## 38 Defined Benefit Plans (Contd..)

Expected Cash Flows	As at 31 March 2023	As at 31 March 2022
Year 1	45.98	25.75
Year 2	28.97	22.92
Year 3	71.28	17.45
Year 4	52.93	54.30
Year 5	35.79	4016
Year 6 to 10	174.15	138.17
<b>Total Expected benefit payments</b>	<b>409.10</b>	<b>298.75</b>

## 39 Auditors' Remuneration

Particulars	Rs. in Lakhs	
	31 March 2023	31 March 2022
<b>Payments to auditor as</b>		
- Auditor	750	700
- for Limited Review	7.50	6.50
<b>Total</b>	<b>15.00</b>	<b>13.50</b>

## 40 Contingent Liabilities and Commitments

Particulars	As at 31 March 2023	As at 31 March 2022
Claims against the Company not acknowledged as debt		
- Income tax demands	269.56	269.56
<b>Total</b>	<b>269.56</b>	<b>269.56</b>

For AY 2012-13 order demanding Rs. 2,04,67,975/- has been raised for which auditee has filed appeal with CIT (Appeal).

For AY 2015-16 order demanding Rs. 61,89,672/- has been raised for which auditee has filed appeal with CIT (Appeal).

For AY 2016-17 order demanding Rs. 2,98,746/- has been raised for which auditee has filed appeal with CIT (Appeal).

## 41 Micro and Small Enterprise

Particulars	Rs. in Lakhs	
	As at 31 March 2023	As at 31 March 2022
	Amount	Amount
Amount Due to Supplier	7,484.47	1,508.05
Principal amount paid beyond appointed date	-	-
Interest due and payable for the year	-	-
Interest accrued and remaining unpaid	-	-
Interest paid other than under Section 16 of MSMED Act to suppliers registered under the MSMED Act, beyond the appointed day during the year.	-	-
Interest paid under Section 16 of MSMED Act to suppliers registered under the MSMED Act beyond the appointed day during the year.	-	-
Further interest remaining due and payable for earlier years.	58.89	16.49

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

## 42 Earnings in Foreign Currencies

Particulars	Rs. in Lakhs	
	For Year ended 31 March 2023	For Year ended 31 March 2022
Export of Goods calculated on FOB basis	36,436.58	30,103.83
<b>Total</b>	<b>36,436.58</b>	<b>30,103.83</b>

## 43 Segment Reporting

### Business Segment

In accordance with IND AS 108 “Operating segment” – The Company used to present the segment information identified on the basis of internal report used by the Company to allocate resources to the segment and assess their performance. The Board of Directors of the Company is collectively the Chief Operating Decision Maker (CODM) of the Company.

The chief operating decision maker monitors the operating results of its segment separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated on the basis on profit and loss.

### Additional Information by Geographies

Particulars	Rs. in Lakhs	
	As at 31 March 2023	As at 31 March 2022
<b>Revenue from Sale of Products by Geographical Market</b>		
In India	24,869.10	21,714.95
Outside India	36,436.58	30,103.83
<b>Total</b>	<b>61,305.68</b>	<b>51,818.78</b>
<b>Carrying Amount of Segment Assets</b>		
In India	59,295.51	54,032.28
Outside India	16,328.56	10,934.25
<b>Total</b>	<b>75,624.07</b>	<b>64,966.53</b>
<b>Addition to Property, Plant and Equipment</b>		
In India	3,781.83	2,953.22
Outside India	–	–
<b>Total</b>	<b>3,781.83</b>	<b>2,953.22</b>

## 44 Related Party Disclosure

### (i) List of Related Parties

#### Enterprises in which relative of key management personnel have significant influence

- Hare Krishna Bath Fittings LLP
- Alkoxide Fine Chem Private Limited
- Globe BioCare
- Ami Procure Private Limited
- Religen Inc
- Prodigy Biotech Inc

#### Independent Director

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

## 44 Related Party Disclosure (Contd..)

- Girikrishna S. Maniar
- Hetal M. Gandhi
- Richa M. Goyal
- Dr. Anita Bandyopadhyay

### Wholly Owned Subsidiary

- Ami Organics Electrolytes Private Limited

### Joint Venture

- Ami Oncotheranostics LLC

### Key Managerial Personnel

- Nareshkumar R. Patel (Chairman and managing Director)
- Chetankumar C. Vaghasia (Whole Time Director)
- Virendra Nath Mishra (Whole Time Director)
- Ram Mohan Lokhande (Whole Time Director)
- Abhishek H Patel (Chief Financial Officer till 31.05.2022)
- Bhavin N Shah (Chief Financial Officer wef 01.06.2022)
- Ekta Kumari Srivastava (Company Secretary)

### Relative of KMP

- Shitalben Patel – Wife of Nareshkumar R. Patel
- Parulben C. Vaghasia – Wife of Chetankumar C. Vaghasia
- Chhagan R Vaghasia – Father of Chetankumar C. Vaghasia
- Bhanuben C Vaghasia – Mother of Chetankumar C. Vaghasia
- Avinash Kumar – Brother of Ekta Kumari Srivastava

### (ii) Related Party Transactions

The related party relationships have been determined on the basis of the requirements of the Indian Accounting Standard (Ind AS) -24 'Related Party Disclosures' and the same have been relied upon by the auditors.

The relationships as mentioned above pertain to those related parties with whom transactions have taken place during the current year /previous year, except where control exists, in which case the relationships have been mentioned irrespective of transactions with the related party.

Particulars	Relationship	For the year ended	Rs. in Lakhs
		31 March 2023	31 March 2022
<b>Remuneration &amp; Allowance to KMP</b>			
– Nareshkumar R. Patel (CMD)	Key Managerial Personnel	1,243.78	956.60
– Chetankumar C. Vaghasia (WTD)	Key Managerial Personnel	468.60	405.50
– Virendra Nath Mishra (WTD)	Key Managerial Personnel	462.00	400.00
– Ram Mohan Lokhande (WTD)	Key Managerial Personnel	132.00	85.50
		121.28	16.50

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

## 44 Related Party Disclosure (Contd..)

Particulars	Relationship	Rs. in Lakhs	
		For the year ended 31 March 2023	For the year ended 31 March 2022
- Abhishek H Patel (CFO till 31.05.2022)	Key Managerial Personnel	6.00	35.10
- Bhavin N Shah (CFO wef 01.06.2022)	Key Managerial Personnel	41.67	-
- Ekta Kumari Srivastava (CS)	Key Managerial Personnel	12.24	14.00
<b>Dividend Paid</b>		<b>467.66</b>	-
- Nareshkumar R. Patel (CMD)	Key Managerial Personnel	120.11	-
- Chetankumar C. Vaghasia (WTD)	Key Managerial Personnel	92.93	-
- Virendra Nath Mishra (WTD)	Key Managerial Personnel	18.90	-
- Shitalben Patel	Relative of KMP	118.13	-
- Parulben C. Vaghasia	Relative of KMP	97.13	-
- Chhagan R Vaghasia	Relative of KMP	10.22	-
- Bhanuben R Vaghasia	Relative of KMP	10.26	-
<b>Sitting Fee</b>		<b>20.70</b>	<b>18.30</b>
- Girikrishna S. Maniar	Independent Director	5.70	6.30
- Hetal M. Gandhi	Independent Director	5.10	5.70
- Richa M. Goyal	Independent Director	6.60	5.70
- Dr. Anita Bandyopadhyay	Independent Director	3.30	0.60
<b>Commission</b>		<b>39.30</b>	<b>12.30</b>
- Girikrishna S. Maniar	Independent Director	14.30	5.70
- Hetal M. Gandhi	Independent Director	14.90	6.30
- Richa M. Goyal	Independent Director	3.40	0.30
- Dr. Anita Bandyopadhyay	Independent Director	6.70	-
<b>Advance Against Sale of Immovable Property</b>		<b>0.50</b>	-
- Ekta Kumari Srivastava (CS)	Key Managerial Personnel	0.50	-
<b>Share Subscription Money</b>		<b>1.00</b>	-
- Ami Organics Electrolytes Private Limited	Wholly Owned Subsidiary	1.00	-
<b>Loan Given</b>		<b>21.00</b>	-
- Ami Organics Electrolytes Private Limited	Wholly Owned Subsidiary	21.00	-
<b>Interest Charged on Loan Given</b>		<b>0.73</b>	-
- Ami Organics Electrolytes Private Limited	Wholly Owned Subsidiary	0.73	-
<b>Reimbursement of Expenses Receivable</b>		<b>8.94</b>	-
- Ami Organics Electrolytes Private Limited	Wholly Owned Subsidiary	8.94	-
<b>Advances for Land received back</b>		<b>-</b>	<b>1,080.00</b>
- Shitalben Patel	Relative of KMP	-	540.00
- Chetankumar C. Vaghasia (WTD)	Key Managerial Personnel	-	540.00
<b>Interest Received</b>		<b>-</b>	<b>3.75</b>
- Shitalben Patel	Relative of KMP	-	1.68
- Chetankumar C. Vaghasia (WTD)	Key Managerial Personnel	-	2.07
<b>Remuneration &amp; Allowance to Relative of KMP</b>		<b>1.90</b>	-
- Avinash Kumar	Relative of KMP	1.90	-
<b>Purchase of Bath Accessories</b>		<b>0.99</b>	<b>0.51</b>
- Hare Krishna Bath Fittings LLP	Enterprises in which relative of key management personnel have significant influence	0.99	0.51
<b>Purchase of raw Material</b>		<b>83.41</b>	<b>57.55</b>
- Alkoxide Fine Chem Private Limited	Enterprises in which relative of key management personnel have significant influence	83.41	57.55
<b>Parking Rent</b>		<b>23.61</b>	-

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

## 44 Related Party Disclosure (Contd..)

Particulars	Relationship	Rs. in Lakhs	
		For the year ended 31 March 2023	For the year ended 31 March 2022
– Globe BioCare	Enterprises in which relative of key management personnel have significant influence	23.61	–
<b>Transfer of Key Man Insurance Policy to Company at Surrender Value</b>		<b>51.88</b>	–
– Nareshkumar R. Patel (CMD)	Key Managerial Personnel	28.53	–
– Chetankumar C. Vaghisia (WTD)	Key Managerial Personnel	23.34	–

Balances of Related Party Outstanding at the end of year

Particulars	Rs. in Lakhs	
	For Year ended 31 March 2023	For Year ended 31 March 2022
Advance received against Sale of Immovable Property	0.50	–
Trade Payable	57.47	16.66
Loan Given	21.00	–
Interest Receivable against Loan Given	0.73	–
<b>Total</b>	<b>79.70</b>	<b>16.66</b>

## 45 Financial Instrument

### A. Financial Assets and Liabilities

#### Financial Instrument by Category

The carrying value and fair value of financial instrument by categories as of 31 March 2023 were as follows:

Particulars	As at 31 March 2023			As at 31 March 2022		
	Amortised Cost	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI
<b>Assets Measured at 31 March 2023</b>						
Investments	165.07	–	–	171.31	–	–
Cash and cash equivalent	3,047.71	–	–	966.14	–	–
Other bank balances	2,707.89	–	–	8,925.49	–	–
Loans	133.57	–	–	46.41	–	–
Other financial assets	23,650.22	–	–	17,251.85	–	–
<b>Total</b>	<b>29,704.46</b>	<b>–</b>	<b>–</b>	<b>27,361.20</b>	<b>–</b>	<b>–</b>
<b>Liabilities Measured at 31 March 2023</b>						
Borrowings	335.87	–	–	84.41	–	–
Trade payables	14,197.20	–	–	11,841.08	–	–
<b>Total</b>	<b>14,533.07</b>	<b>–</b>	<b>–</b>	<b>11,925.49</b>	<b>–</b>	<b>–</b>

\*Excludes investments (in equity shares) in subsidiary, joint venture and associate companies | entities which are carried at cost and hence are not required to be disclosed as per Ind AS 107 "Financial Instruments Disclosures".

#### Fair Value Hierarchy

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 – Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

There have been no transfers among Level 1, Level 2 and Level 3 during the period.

The management assessed that cash and cash equivalents, Trade receivable and other financial asset, trade payables and other financial liabilities approximate their carrying amount largely due to short term maturity of these instruments.

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

## 45 Financial Instrument (Contd..)

### Financial Risk Management - Objectives and Policies

The risk management policies of the Company are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Management has overall responsibility for the establishment and oversight of the Company's risk management framework.

In performing its operating, investing and financing activities, the Company is exposed to the Credit risk, Liquidity risk and Market risk.

### Carrying Amount of Financial Assets and Liabilities:

The following table summaries the carrying amount of financial assets and liabilities recorded at the end of the period by categories:

Particulars	Rs. in Lakhs	
	For Year ended 31 March 2023	For Year ended 31 March 2022
<b>Financial assets</b>		
Cash and cash equivalent	3,047.71	966.14
Bank balances other than above	2,813.76	8,925.49
Trade receivables	23,026.11	16,166.12
Loans	133.57	46.41
Other Current asset	5,505.80	4,855.23
Other financial assets	624.11	1,085.73
<b>At end of the year</b>	<b>35,151.06</b>	<b>32,045.12</b>
<b>Financial liabilities</b>		
Borrowings	335.86	84.41
Trade payables	14,197.20	11,841.08
<b>At end of the year</b>	<b>14,533.06</b>	<b>11,925.49</b>

### B. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits and derivative financial instruments.

#### (a) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Company has interest rate risk exposure mainly from changes in rate of interest on borrowing & on deposit with bank. The interest rate are disclosed in the respective notes to the financial statements of the Company. The following table analyse the breakdown of the financial assets and liabilities by type of interest rate:

##### (i) Exposure to Interest Rate Risk

Particulars	Rs. in Lakhs	
	As at 31 March 2023	As at 31 March 2022
Borrowing bearing fixed rate of interest	58.80	84.40
Borrowing bearing variable rate of interest	277.06	—
<b>Total</b>	<b>335.86</b>	<b>84.40</b>

##### (ii) Sensitivity Analysis

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

## 45 Financial Instrument (Contd..)

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the excluding the credit exposure for which interest rate swap has been taken and hence the interest rate is fixed. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Rs. in Lakhs	
	As at 31 March 2023	As at 31 March 2022
Interest Rate - Increase by 50 basis points	(1.39)	(0.84)
Interest Rate - Decrease by 50 basis points	1.39	0.84

### (b) Foreign Currency Risk

The Company operates internationally and the major portion of business is transacted in USD & EURO. The Company has Sales, Purchase, (etc.) in foreign currency. Consequently, the Company is exposed to foreign exchange risk.

Foreign exchange exposure is partially balanced by purchasing in goods, commodities and services in the respective currencies.

The company evaluate exchange rate exposure arising from foreign currency transactions and the company follows established risk management policies, including the use of derivatives like foreign exchange forward contracts to hedge exposure to foreign currency risk.

Foreign currency exposures not specifically covered by natural hedge and forward exchange contracts as at year end are as follows:

#### (i) Exposure to Foreign Currency Risk

Particulars	Rs. in Lakhs			
	As at 31 March 2023	Current year Amount in Rs.	As at 31 March 2022	Previous year Amount in Rs.
USD	93.39	7,598.97	30.41	2,308.49
EUR	41.77	3,617.38	41.34	3,481.59
<b>Total</b>	<b>135.16</b>	<b>11,216.35</b>	<b>71.76</b>	<b>5,790.08</b>

#### (ii) Sensitivity Analysis

1% increase or decrease in foreign exchange rates will have the following impact on profit before tax

Particulars	Rs. in Lakhs	
	As at 31 March 2023	As at 31 March 2022
INR/USD - Increase by 5%	(18.38)	(23.08)
INR/USD - Decrease by 5%	18.38	23.08
INR/EUR - Increase by 1%	(0.36)	(34.82)
INR/EUR - Decrease by 1%	0.36	34.82

## C. Credit Risk

Financial assets that are potentially subject to concentrations of credit risk and failures by counterparties to discharge their obligations in full or in a timely manner consist principally of cash balances with banks, cash equivalents and receivables, and other financial assets. The maximum exposure to credit risk is: the total of the fair value of the financial instruments and the full amount of any loan payable commitment at the end of the reporting year. Credit risk on cash balances with banks is limited because the counterparties are entities with acceptable credit ratings. Credit risk on other financial assets is limited because the other parties are entities with acceptable credit ratings.

As disclosed in Note 13, cash and cash equivalents balances generally represent short term deposits with a less than 90-day maturity.

As part of the process of setting customer credit limits, different credit terms are used. The average credit period generally granted to trade receivable customers is about 90-360 days. But some customers take a longer period to settle the amounts.

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

## 45 Financial Instrument (Contd..)

Particulars	Rs. in Lakhs	
	As at 31 March 2023	As at 31 March 2022
Low Credit Risk	—	—
Cash and Cash Equivalents	3,047.71	966.14
Bank balances other than above	2,813.76	8,925.49
Loans	133.57	46.41
Trade Receivables	23,026.11	16,166.12
Other financial assets	624.11	1,085.73
Investments	3,345.28	3,340.43
<b>Total</b>	<b>32,990.53</b>	<b>30,530.32</b>

### D. Liquidity Risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including debt and overdraft from banks at an optimised cost.

The Company maximum exposure to credit risk for the components of the balance sheet at 31 March 2022 and 31 March 2021 is the carrying amounts. The liquidity risk is managed on the basis of expected maturity dates of the financial liabilities. The average credit period taken to settle trade payables is about 90 days. The other payables are with short-term durations. The carrying amounts are assumed to be a reasonable approximation of fair value. The following table analysis financial liabilities by remaining contractual maturities:

#### Financing Arrangements:

Particulars	Rs. in Lakhs	
	As at 31 March 2023	As at 31 March 2022
Expiring within one year	—	—
- CC/EPC Facility	277.06	—

#### Note:

Axis Bank EPC Loan Secured against Fix Deposit with Axis Bank Limited

#### Maturity Table for Financial Liabilities

##### For Current Year

Particulars	Less than 1 year	1- 2 Years	2-3 Years	More than 3 Years	Rs. in Lakhs
					Total
Borrowings	297.44	38.42	—	—	335.87
Trade Payables	14,197.20	—	—	—	14,197.20
<b>Total</b>	<b>14,494.64</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>14,533.06</b>

##### For Previous Year

Particulars	Less than 1 year	1- 2 Years	2-3 Years	More than 3 Years	Rs. in Lakhs
					Total
Borrowings	25.60	58.81	—	—	84.41
Trade Payables	11,840.47	0.61	—	—	11,841.08
<b>Total</b>	<b>11,866.07</b>	<b>59.42</b>	<b>—</b>	<b>—</b>	<b>11,925.49</b>

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

## 45 Financial Instrument (Contd..)

### E. Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep optimum gearing ratio. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations.

Particulars	Rs. in Lakhs	
	As at 31 March 2023	As at 31 March 2022
Total Borrowings	335.86	84.40
Trade Payables	14,197.20	11,841.08
Less: Cash and cash equivalents	(3,047.71)	(966.14)
<b>Net Debts (A)</b>	<b>11,485.35</b>	<b>10,959.34</b>
<b>Total Equity</b>	<b>58,678.55</b>	<b>51,800.38</b>
<b>Total Debt plus Equity (B)</b>	<b>70,163.90</b>	<b>62,759.72</b>
<b>Capital Gearing Ratio (B/A)</b>	<b>16.37%</b>	<b>17.46%</b>

Note:

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

## 46 Income Tax

Particulars	Rs. in Lakhs	
	As at 31 March 2023	As at 31 March 2022
<b>Current income tax:</b>		
Current income tax charge	2,637.72	1,672.15
Deferred tax: Relating to origination and reversal of temporary differences (Net)	250.49	278.28
<b>Total</b>	<b>2,888.21</b>	<b>1,950.43</b>

The tax rate used for the reconciliation above is the corporate tax rate payable by corporate entity in India on taxable profits under the Indian tax law. The Company elected to exercise the option permitted under Section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 which gives a one time irreversible option to domestic companies for payment of corporate tax at reduced rates. Accordingly, the Company has re-measured its deferred tax asset (net) basis the rate prescribed in the said section.

A Reconciliation of income tax provision to the amount computed by applying the statutory income tax rate to the income before Income taxes is summarized as follow:

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

## 46 Income Tax (Contd..)

### Reconciliation of Income Tax Provision

Particulars	Rs. in Lakhs	
	As at 31 March 2023	As at 31 March 2022
Profit before income tax	11,222.47	9,145.04
Rate of Income tax	25.17%	25.17%
Computed expected tax expenses	2,824.70	2,301.62
Additional allowances for tax purpose	47.01	(455.37)
Expenses not allowed for tax purposes	45.77	37.86
Provision for Employee benefit not allowed for tax purpose		6.79
Depreciation As per Companies Act 2013	310.66	253.70
Depreciation As per Income Tax Act	(590.41)	(488.66)
Interest on late payment of advance tax		
Additional Tax payable due to MAT provisions		
<b>Total</b>	<b>2,637.72</b>	<b>1,655.94</b>

Applicable statutory tax rate for financial year 2022-23 is 25.17% (Previous year 2021-22 is 25.17%)

## 47 Gross Movement in Current Income Tax Assets & Liabilities

Particulars	Rs. in Lakhs	
	As at 31 March 2023	As at 31 March 2022
<b>Net current income tax asset/(liability) at the beginning</b>	<b>494.06</b>	<b>(115.16)</b>
Adjustments in respect of Previous year	20.31	-
Income tax paid	2,445.44	2,281.38
<b>Current tax expenses</b>	<b>(2,637.72)</b>	<b>(1,672.15)</b>
<b>Total</b>	<b>322.09</b>	<b>494.06</b>

48 Company has filled all charges within due dates with ROC

## 49. Ratio Analysis

Particulars	Numerator/ Denominator	UoM	As at 31 March 2023	As at 31 March 2022	Change in %	Remark for Daviation
(a) Current Ratio	Current Assets Current Liabilities	Times	2.87	3.30	-12.85%	-
(b) Debt-Equity Ratio	Total Debts Equity	Times	0.01	0.00	251.27%	Repayment of Debt in FY 2022 through IPO proceed.
(c) Debt Service Coverage Ratio	Earning available for Debt Service Interest + Instalments	Times	316.17	0.61	51731.15%	Repayment of Debt in FY 2022 through IPO proceed.
(d) Return on Equity Ratio	Profit after Tax Average Shareholder's Equity	Percentage	0.15	0.21	-28.57%	Higher Weighted Average Number of Shares in FY 2023 v/s FY 2022 Due to IPO in Sept 2021
(e) Inventory turnover ratio	Total Turnover Average Inventories	Times	2.86	3.16	-9.49%	-
(f) Trade receivables turnover ratio	Total Turnover Average Account Receivable	Times	3.15	3.71	-15.09%	-

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

## 49. Ratio Analysis (Contd..)

Particulars	Numerator/ Denominator	UoM	As at		Change in %	Remark for Daviation
			31 March 2023	31 March 2022		
(g) Trade payables turnover ratio	Total Purchases Average Account Payable	Times	2.58	3.17	-18.61%	-
(h) Net capital turnover ratio	Total Turnover Net Working Capital	Times	2.14	1.73	23.93%	-
(i) Net profit ratio	Net Profit Total Turnover	Percentage	13.51%	13.83%	-2.31%	-
(j) Return on Capital employed	Net Profit Capital Employed	Percentage	19.21%	18.49%	3.89%	

## 50 CSR Expenditure

Particulars	Rs. in Lakhs	
	As at 31 March 2023	As at 31 March 2022
Amount required to be spent by the company during the year	132.12	93.57
Amount of expenditure incurred	137.21	93.92
Shortfall at the end of the year	(5.09)	(0.35)
Total of previous years shortfall	—	—
Movement in the provision	—	—

### Nature of CSR activities

Total CSR Contribution during the year is Rs. 139.43 Lakh out of which Rs. 137.21 Lakh is qualified as CSR Expense for the year FY 2022–23

## 51 Other statutory information

- The Company has not entered into any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- The Company has complied with the number of layers prescribed under clause (87) of Section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- The Company is not declared wilful defaulter by any bank or financial institution or other lenders.
- The Company has not traded or invested in crypto currency or virtual currency during the financial year.
- The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the year.
- No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made there under.
- No loans or advances in the nature of loans are granted to promoters, Directors, Key Managerial Personnel and the related parties (as defined under the Companies Act, 2013) either severally or jointly with any other person.

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

## 52 Subsequent Events

No subsequent event has been observed which may require an adjustment to the statement of financial position.

**53** In the opinion of the Management, current assets, loans, advances and deposits are approximately of the value stated, if realised in the ordinary course of business and are subject to confirmation.

**54** Balances in the accounts of Trade Receivables, Loans and Advances, Trade Payables and Other Current Liabilities are subject to confirmation / reconciliation, if any. The management does not expect any material adjustment in respect of the same effecting the financial statements on such reconciliation / adjustments.

The estimates at 31 March 2023 and 31 March 2022 are consistent with those made for the same dates in accordance with Ind AS(after adjustments to reflect any differences in accounting policies).

**55** There was no impairment loss on the fixed assets on the basis of review carried out by the management in accordance with Indian Accounting Standard (Ind AS)-36 'Impairment of Assets'.

The tax rate used for the reconciliation above is the corporate tax rate payable by corporate entities in India on taxable profits under the Indian tax law.

The Company has elected to exercise the option permitted under Section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 which gives a one time irreversible option to domestic companies for payment of corporate tax at reduced rates. Accordingly, the Company has re-measured its deferred tax asset (net) basis the rate prescribed in the said section.

**56** Previous years figure have been regrouped/rearranged wherever necessary, to correspond with the current year classification / disclosures.

**57** The balance sheet, statement of profit and loss, cash flow statement, statement of changes in equity, statement of significant accounting policies and the other explanatory notes forms an integral part of the financial statements of the Company for the year ended March 31, 2023.

## Signature to Notes "1 to 57"

As per our report of even date attached

For **Maheshwari & Co.**  
Chartered Accountants  
FRN 105834W

**Pawan Gattani**  
Partner  
M.No: 144734

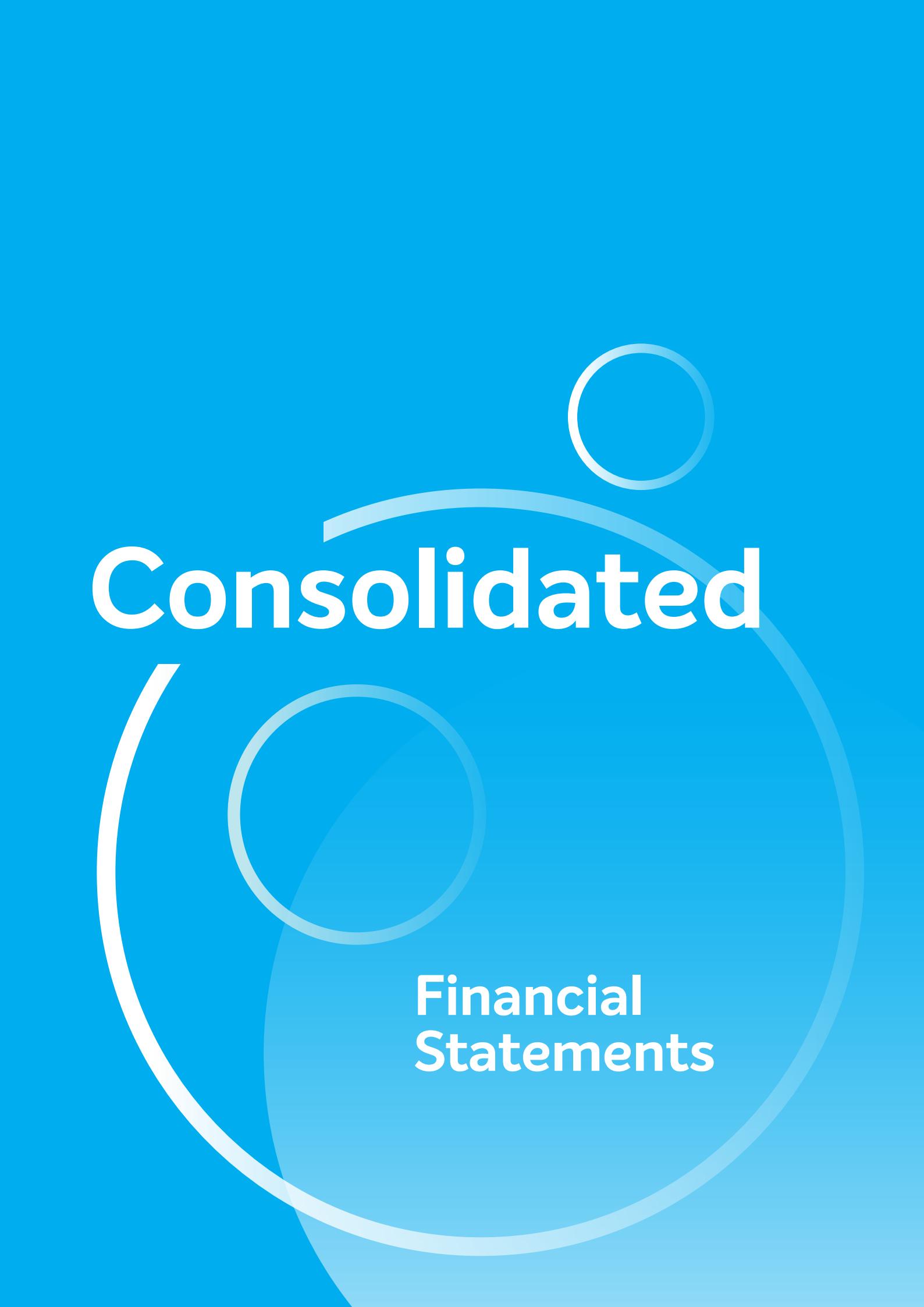
Place: Surat  
Date: May 13, 2023

**Nareshkumar R. Patel**  
Chairman & Managing Director  
DIN: 00906232

**Bhavin Shah**  
Chief Financial Officer  
PAN: AXXPS0017M

**Chetankumar C. Vagharia**  
Whole Time Director  
DIN: 01375540

**Ekta Kumari**  
Company Secretary  
M No: A - 27323



# Consolidated

## Financial Statements

# Independent Auditor's Report

To  
The members of  
**Ami organics limited**

## Report on the Consolidated Financial Statements

### Opinion

We have audited the accompanying Consolidated financial statements of **AMI ORGANICS LIMITED (CIN- L24100GJ2007PLC051093)** (hereinafter referred to as "the Parent Company") and its wholly owned subsidiary **AMI ORGANICS ELECTROLYTES PRIVATE LIMITED (CIN-U24290GJ2022PTC133444)**, (the Parent Company and subsidiary company together referred to as "Group") and jointly controlled entity **AMI ONCOTHERANOSTICS LLC**, which comprise the consolidated balance sheet as at 31 March 2023, and the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Group as at March 31, 2023, of its consolidated profit and other

### The key audit matters

#### Capitalization of Assets

There are a number of areas where management judgement impacts the carrying value of property, plant and equipment, and their respective depreciation profiles. These include: – the decision to capitalize or expense costs; – the annual asset life review including the impact of changes in the strategy; and – the timeliness of the transfer from assets in the course of construction. Refer Note 1.9- of the Consolidated financial statements "Property, plant and equipment".

### How our audit addressed the key audit matter

We tested controls in place over the property, plant and equipment cycle, evaluated the appropriateness of capitalization policies, performed tests of details on costs capitalised and assessed the timeliness of the transfer of assets in the course of construction and the application of the asset life. In performing these substantive procedures, we assessed the judgements made by management including: – the nature of underlying costs capitalised; – the appropriateness of asset lives applied in the calculation of depreciation. Assessed the appropriateness of work in progress on balance sheet date by evaluating the underlying documentation to identify possible delays.

The key audit matters	How our audit addressed the key audit matter
<p><b>Inventories</b></p> <p>At 31 March 2023, Inventory of Finished Goods is disclosed in note 11 – Inventories.</p> <p>In order to carry inventory at the lower of cost and net realisable value, management has identified overheads cost and made adjustments to the carrying value of these items, the calculation of which requires certain estimates and assumptions. These judgments include bifurcation of overhead cost on the Finish good, using factors existing at the reporting date. i.e. overheads is charged to the Finished goods.</p>	<p>Our procedures included the following to assess inventory cost:</p> <p>Assessing the reasonableness of the methodologies applied by management for consistency with prior years and our knowledge of industry practice.</p> <ul style="list-style-type: none"> <li>• Evaluating the assumptions and estimates applied to the methodologies <ul style="list-style-type: none"> <li>– testing the identification of such inventories;</li> <li>– testing the accuracy of historical information and data trends;</li> </ul> </li> <li>• Sample Testing the estimated future sales values, less estimated costs to sell against the carrying value of the inventories.</li> <li>• Recalculating the arithmetical accuracy of the computations.</li> </ul>

### Information other than the Consolidated Financial Statements and Auditor's Report thereon

The Holding Company's Management and Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the Consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the Consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

### Responsibility of Management for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Consolidated financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Group 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 of the assets of the Group and for preventing and detecting frauds

and other irregularities; selection and application of appropriate implementation and maintenance of 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the respective management and Board of Directors of the entities included in the Group are responsible for assessing the ability of each entity to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the entities included in the Group is responsible for overseeing the financial reporting process of each entity.

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Group has an adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group'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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit report 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 Group so far as it appears from our examination of those books.
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - d) In our opinion, the aforesaid Consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder.
  - e) On the basis of written representations received from the directors as on 31 March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023, from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A"; and
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

- i. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2023 on the consolidated financial position of the Group. Refer Note 40 to the consolidated financial statements.
- ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses under the applicable law or accounting standards.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group, if any; and
- iv. (a) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such joint venture to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such joint venture ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. According to information and explanations given to us:
- (a) The final dividend proposed in the previous year, declared and paid by the Parent Company during the year, is in accordance with section 123 of the Act, as applicable.
- (b) The Board of Directors of the Company has proposed a final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order" / "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiary included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

For **Maheshwari & Co.**  
Chartered Accountants  
Firm's Registration No.105834W

**Pawan Gattani**  
Partner  
Place: Surat  
Date: May 13, 2023  
Membership No. 144734  
UDIN: 23144734BGRHYZ7895

## Annexure 'A' to the Independent Auditors' Report

(Referred to in paragraph 1(f) under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date)

### Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of AMI ORGANICS LIMITED ("the Holding Company") as of 31 March 2023, we have audited the internal financial controls with reference to the financial statements of the Holding Company and its Joint Ventures, which are incorporated in India as of that date.

### Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and joint ventures, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### Auditors' Responsibility

Our responsibility is to express an opinion on the Group's internal financial controls over financial reporting 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. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether

adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgments, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting with reference to these consolidated financial statements.

### Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Consolidated 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 Consolidated financial statements.

## Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2023, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Maheshwari & Co.**  
Chartered Accountants  
Firm's Registration No.105834W

## Opinion

In our opinion, to the best of our information and according to explanation given to us, the Group has maintained, in all material respects, adequate internal financial controls over financial

Place: Surat  
Date: May 13, 2023

**Pawan Gattani**

Partner

Membership No. 144734  
UDIN: 23144734BGRHYZ7895

# Consolidated Balance Sheet

as at 31 March 2023

Particulars	Note No.	As at	
		31 March 2023	
		Audited	Audited
<b>ASSETS</b>			
<b>Non Current Assets</b>			
Property, Plant and Equipment	2	18,435.38	15,844.31
Right-of-Use Assets	3	3,741.91	1,936.57
Capital work-in-progress	4	2,551.76	189.16
Goodwill		2,032.29	1,859.56
Other Intangible assets	5	1,685.74	813.05
Intangible assets under development	6	427.78	106.89
Financial Assets			
Investments	7	165.07	171.31
Loans	8	22.06	–
Other financial assets	9	624.11	1,085.73
Other non-current assets	10	–	924.57
<b>Total Non-current Assets</b>		<b>29,686.10</b>	<b>22,931.15</b>
<b>Current assets</b>			
Inventories	11	11,917.30	11,217.09
Financial Assets			
Trade receivables	12	23,026.11	16,370.22
Cash and cash equivalents	13	3,053.26	1,029.66
Bank balances other than Cash and Cash equivalents	14	2,813.76	8,925.49
Loans	15	133.58	65.39
Current Tax Assets (Net)	16	322.09	494.06
Other current assets	17	5,741.64	4,855.23
<b>Total Current Assets</b>		<b>47,007.74</b>	<b>42,957.14</b>
<b>Total Assets</b>		<b>76,693.84</b>	<b>65,888.29</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	18	3,643.71	3,643.71
Other Equity	19	55,752.21	48,583.69
<b>Total Equity</b>		<b>59,395.92</b>	<b>52,227.40</b>
<b>Non-current liabilities</b>			
Financial Liabilities			
Borrowings	20	62.59	58.81
Provisions	21	68.14	43.60
Deferred tax liabilities net	22	882.58	626.43
<b>Total Non-current liabilities</b>		<b>1,013.31</b>	<b>728.84</b>
<b>Current liabilities</b>			
Financial Liabilities			
Borrowings	23	297.44	25.60
Trade Payables	24		
total outstanding dues of micro enterprises and small enterprises		7,651.11	1,508.05
Total outstanding dues of other than micro enterprises and small enterprises		6,553.66	10,333.71
Other current liabilities	25	643.39	462.64
Provisions	26	1,139.01	602.05
<b>Total Current liabilities</b>		<b>16,284.61</b>	<b>12,932.05</b>
<b>Total Liabilities</b>		<b>17,297.92</b>	<b>13,660.89</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>76,693.84</b>	<b>65,888.29</b>

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached

**For Maheshwari & Co.**  
 Chartered Accountants  
 FRN 105834W

**Pawan Gattani**  
 Partner  
 M.No: 144734

Place:  
 Date: May 13, 2023

 For and on behalf of the Board of Directors of **Ami Organics Limited**

**Nareshkumar R. Patel**  
 Chairman & Managing Director  
 DIN: 00906232

**Chetankumar C. Vagharia**  
 Whole Time Director  
 DIN: 01375540

**Bhavin Shah**  
 Chief Financial Officer  
 PAN: AXXPS0017M

**Ekta Kumari**  
 Company Secretary  
 M No: A - 27323

# Consolidated Statement of Profit and Loss

for the year ended 31 March 2023

Particulars	Note No.	Rs. in Lakhs	
		For Year ended 31 March 2023	For Year ended 31 March 2022
		Audited	Audited
<b>Income</b>			
Revenue From Operations	27	61,673.45	52,013.50
Other Income	28	431.98	276.23
<b>Total Income</b>		<b>62,105.43</b>	<b>52,289.73</b>
<b>Expenses</b>			
Cost of materials consumed	29	34,585.12	28,233.30
Changes in inventories of finished goods, Stock in Trade and work in progress	30	(1,495.59)	(949.67)
Employee benefits expense	31	4,883.61	4,136.64
Finance costs	32	241.23	640.73
Depreciation and amortization expense	33	1,234.24	1,008.02
Other expenses	34	11,439.64	10,075.67
<b>Total Expenses</b>		<b>50,888.25</b>	<b>43,144.69</b>
<b>Profit/(loss) before tax</b>		11,217.18	9,145.04
Tax expense	35		
Current tax		2,637.72	1,672.15
Deferred tax		250.49	278.28
<b>Total Tax expense</b>		<b>2,888.21</b>	<b>1,950.43</b>
<b>Profit/(loss) after tax for the year</b>		<b>8,328.97</b>	<b>7,194.61</b>
<b>OTHER COMPREHENSIVE INCOME (OCI)</b>			
<b>Items that will not be reclassified subsequently to profit or loss</b>			
Remeasurement of defined employee benefit plans,net		16.83	60.35
<b>Items that will be reclassified subsequently to profit or loss</b>			
Exchange differences on translation of financial statements of foreign operations,net		290.36	128.79
<b>Total Other Comprehensive Income</b>		<b>307.19</b>	<b>189.14</b>
<b>Total Comprehensive Income for the year</b>		<b>8,636.16</b>	<b>7,383.75</b>
<b>Earnings per equity share</b>			
Basic (Rs.)	36	22.86	21.03
Diluted (Rs.)		22.86	21.03

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached

For **Maheshwari & Co.**  
Chartered Accountants  
FRN 105834W

**Pawan Gattani**  
Partner  
M.No: 144734

Place: Surat  
Date: May 13, 2023

For and on behalf of the Board of Directors of **Ami Organics Limited**

**Nareshkumar R. Patel**  
Chairman & Managing Director  
DIN: 00906232

**Bhavin Shah**  
Chief Financial Officer  
PAN: AXXPS0017M

**Chetankumar C. Vagharia**  
Whole Time Director  
DIN: 01375540

**Ekta Kumari**  
Company Secretary  
M No: A - 27323

# Consolidated Statement of Cash Flow

for the year ended 31 March 2023

Particulars	Note No.	For the year ended	For the year ended
		31 March 2023	31 March 2022
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit Before Tax		11,217.18	9,145.04
<b>Adjustments for:</b>			
Depreciation and amortisation		1,234.24	1,008.02
(Gain)/Loss on disposal of property, plant and equipment		74.66	–
Finance Cost		241.23	544.91
Interest Income		(217.89)	(258.17)
Dividend Income		(0.03)	–
Exchange Fluctuation on change on equity instruments		290.36	128.79
Unrealised (gain) / loss		(213.23)	(59.24)
<b>Operating profit before working capital changes</b>		<b>12,626.52</b>	<b>10,509.35</b>
<b>Adjustment for (increase) / decrease in operating assets</b>			
Trade receivables		(6,442.66)	(4,145.50)
Loans & Advances		(90.24)	(31.95)
Other financial assets		461.62	(815.13)
Inventories		(700.21)	(5,180.78)
Other assets		38.16	(1,655.48)
<b>Adjustment for (Increase) / decrease in operating liabilities</b>			
Trade payables		2,363.01	3,267.88
Other Liabilities		180.75	(1,053.33)
Provisions		561.49	192.84
<b>Cash generated from operations</b>		<b>8,998.44</b>	<b>1,087.91</b>
Income tax paid (net)		(2,445.44)	(2,281.38)
<b>Net cash (used)/generated by operating activities</b>	(A)	<b>6,553.00</b>	<b>(1,193.47)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Bank deposits placed		6,111.73	(8,925.49)
Purchase of property, plant and equipment (Incl. Capital WIP & Intangible Assets)		(7,834.94)	(3,375.81)
Right of Use Asset		(1,805.35)	–
Purchase of other Investment		6.24	(28.45)
Dividend received		0.03	–
Interest received		217.89	258.18
<b>Net cash (used in) / generated by investing activities</b>	(B)	<b>(3,304.40)</b>	<b>(12,071.57)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from long term borrowings		275.64	(13,579.16)
Finance cost		(241.23)	(544.91)
Dividend paid (including tax on dividend)		(1,093.57)	–
Issue of Equity Shares		–	29,999.99
Share Issue Expense		(165.84)	(1,849.67)
<b>Net cash (used)/generated in financing activities</b>	(C)	<b>(1,225.00)</b>	<b>14,026.25</b>
Net increase / (decrease) in cash and cash equivalents		2,023.60	761.20
Cash and cash equivalents at the beginning of the year		1,029.66	268.46
Exchange gain loss on Cash and cash equivalents		–	–
<b>Cash and cash equivalents at the end of the year</b>		<b>3,053.26</b>	<b>1,029.66</b>

As per our report of even date attached

For **Maheshwari & Co.**  
Chartered Accountants  
FRN 105834W

**Pawan Gattani**  
Partner  
M.No: 144734

Place: Surat  
Date: May 13, 2023

For and on behalf of the Board of Directors of **Ami Organics Limited**  
Nareshkumar R. Patel  
Chairman & Managing Director  
DIN: 00906232

Bhavin Shah  
Chief Financial Officer  
PAN: AXXPS0017M

**Chetankumar C. Vagharia**  
Whole Time Director  
DIN: 01375540

Ekta Kumari  
Company Secretary  
M No: A - 27323

# Consolidated Statement of change in Equity

for the year ended 31 March 2023

## A. Equity Share Capital

### Current reporting year

Particulars	Rs. in Lakhs
	Amount
<b>As at 1 April, 2022</b>	3,643.71
Changes in Equity Share Capital due to Prior Period Errors	–
<b>Restated Balance as at 1 April, 2022</b>	3,643.71
Changes in Equity Share Capital during the year	–
<b>As at 31 March, 2023</b>	<b>3,643.71</b>

### Previous reporting year

Particulars	Rs. in Lakhs
	Amount
<b>As at 1 April, 2021</b>	3,150.00
Changes in Equity Share Capital due to Prior Period Errors	–
<b>Restated Balance as at 1 April, 2021</b>	3,150.00
Changes in Equity Share Capital during the year	493.71
<b>As at 31 March, 2022</b>	<b>3,643.71</b>

## B. Other Equity

### Current reporting year 31 March 2023

Particulars	Reserves & Surplus			Other Item of OCI (Actuarial gains and losses)	Equity Instrument through OCI	Rs. in Lakhs
	Capital Reserve	Securities premium	Retained Earnings			
<b>Balance as at 1 April, 2022</b>	200.02	27,656.61	20,322.72	(22.68)	427.02	48,583.69
Changes in Accounting Policy or Prior Period Errors	–	–	–	–	–	–
<b>Restated balance as at 1 April, 2022</b>	<b>200.02</b>	<b>27,656.61</b>	<b>20,322.72</b>	<b>(22.68)</b>	<b>427.02</b>	<b>48,583.69</b>
Add: Profit/(Loss) during the year	–	–	8,334.26	–	–	8,334.26
Remeasurement Gain/(Loss) of defined Benefit Plan(net of tax)	–	–	–	16.83	290.36	307.19
<b>Total Comprehensive Income/(Expense)</b>	<b>200.02</b>	<b>27,656.61</b>	<b>28,656.98</b>	<b>(5.85)</b>	<b>717.38</b>	<b>57,225.14</b>
Less: Dividend on Equity Shares (Incl. DDT)	–	–	(1,093.17)	–	–	(1,093.17)
Add: Transfer from P&L	–	–	–	–	–	–
Add: Issue of Equity Shares	–	–	–	–	–	–
Add/(Less): Share issue Expenses	–	(379.77)	–	–	–	(379.77)
<b>Balance As at 31 March, 2023</b>	<b>200.02</b>	<b>27,276.85</b>	<b>27,563.82</b>	<b>(5.85)</b>	<b>717.38</b>	<b>55,752.21</b>

# Consolidated Statement of change in Equity

for the year ended 31 March 2023

## Other Equity

Previous reporting year 31 March 2022

Particulars	Reserves & Surplus			Other Item of OCI (Actuarial gains and losses)	Equity Instrument through OCI	Total
	Capital Reserve	Securities premium	Retained Earnings			
<b>Balance as at 1 April, 2021</b>	-	-	13,128.11	(83.03)	298.23	13,343.31
Changes in Accounting Policy or Prior Period Errors	-	-	-	-	-	-
<b>Restated balance as at 1 April, 2021</b>	-	-	<b>13,128.11</b>	<b>(83.03)</b>	<b>298.23</b>	<b>13,343.31</b>
Net profit/(loss) during the year	-	-	7,194.61	-	-	7,194.61
Remeasurement Gain/(Loss) of defined Benefit Plan(net of tax)	-	-	-	60.35	128.79	189.14
<b>Total Comprehensive Income/(Expense)</b>	<b>-</b>	<b>-</b>	<b>20,322.72</b>	<b>(22.68)</b>	<b>427.02</b>	<b>20,727.06</b>
Dividend on Equity Shares (Incl. DDT)	-	-	-	-	-	-
Add: Transfer from P&L	200.02	-	-	-	-	200.02
Add: Issue of Equity Shares	-	27,656.61	-	-	-	27,656.61
<b>Balance As at 31 March, 2022</b>	<b>200.02</b>	<b>27,656.61</b>	<b>20,322.72</b>	<b>(22.68)</b>	<b>427.02</b>	<b>48,583.69</b>

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached

For **Maheshwari & Co.**  
Chartered Accountants  
FRN 105834W

**Pawan Gattani**  
Partner  
M.No: 144734

Place: Surat  
Date: May 13, 2023

For and on behalf of the Board of Directors of **Ami Organics Limited**

**Nareshkumar R. Patel**  
Chairman & Managing Director  
DIN: 00906232

**Chetankumar C. Vagharia**  
Whole Time Director  
DIN: 01375540

**Bhavin Shah**  
Chief Financial Officer  
PAN: AXXPS0017M

**Ekta Kumari**  
Company Secretary  
M No: A - 27323

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

## Company overview

Ami Organics Limited (“the Company”) was originally formed as a partnership firm under the Partnership Act, 1932 in the name of “Ami Organics” pursuant to a deed of partnership dated January 3, 2004 with Promoters, among others, as partners. “Ami Organics” was then converted into private limited company under part IX of the Companies Act, 1956 under the name of “Ami Organics Private Limited” vide certificate of incorporation dated June 12, 2007 issued by Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Further, pursuant to a resolution passed by our shareholders on April 5, 2018, Company was converted into a public limited company, following which Company’s name was changed to “Ami Organics Limited”, and a fresh certificate of incorporation was issued on April 18, 2018 having its registered office at Plot no. 440/4, 5 & 6, Road No. 82/A, GIDC Sachin, Surat GJ 394230. The Company is engaged in business of drugs intermediate chemicals and related activities.

The Consolidated Financial Statements are approved by the company’s Board of Directors on May 13, 2023.

## 1 Significant accounting policies

### Statement of compliance

Consolidated Financial Statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under the Section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

### 1.1 Basis of preparation of financial statements

The separate financial statements of the company are prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention on the accrual basis as per the provisions of the Companies Act, 2013 (“the Act”), except for:

- Financial instruments – measured at fair value;
- Plan assets under defined benefit plans – measured at fair value
- Employee share-based payments – measured at fair value
- In addition, the carrying values of recognised assets and liabilities, designated as hedged items in fair value hedges that would otherwise be carried at cost, are adjusted to record changes in the fair values attributable to the risks that are being hedged in effective hedge relationship.

### 1.2 Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is classified as current when it satisfies any of the following criteria: it is expected to be realised in, or is intended for sale or consumption in, the Company’s normal operating cycle.

it is held primarily for the purpose of being traded;

- It is expected to be realised within 12 months after the reporting date; or
- It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.
- All other assets are classified as non-current.
- A liability is classified as current when it satisfies any of the following criteria:
  - It is expected to be settled in the Company’s normal operating cycle;
  - It is held primarily for the purpose of being traded
  - It is due to be settled within 12 months after the reporting date; or the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.”

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current only

The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The Consolidated Financial Statements have been presented in Indian Rupees (INR), which is the Company’s functional currency. All financial information presented in INR has been rounded off to the nearest two decimals of Crore, unless otherwise stated.”

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

## 1.3 Use of estimates

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Actual results could differ from those estimates.

This note provides an overview of the areas where there is a higher degree of judgment or complexity. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation."

### The areas involving critical estimates or judgments are:

- Valuation of financial instruments
- Useful life of property, plant and equipment
- Defined benefit obligation
- Provisions
- Recoverability of trade receivables
- Recognition of revenue and allocation of transaction price
- Current tax expense and current tax payable
- Estimates and judgments are regularly revisited. Estimates are based on historical experience and other factors, including futuristic reasonable information that may have a financial impact on the company.

### Summary of significant accounting policies

A summary of the significant accounting policies applied in the preparation of the financial statements is as given below. These accounting policies have been applied consistently to all the periods presented in the financial statements.

## 1.4 Fair value measurement

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's Management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

Disclosures for valuation methods, significant estimates and assumptions (Note 45)

Financial instruments (including those carried at amortised cost) (note 45)

## 1.5 Revenue recognition

Revenue is recognised when control of goods is transferred to a customer in accordance with the terms of the contract. The control of the goods is transferred upon delivery to the customers either at factory gate of the Company or specific location of the customer or when the goods are handed over to the freight carrier, as per the terms of the contract. A receivable is recognised by the Company when the goods are delivered to the customer as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due.

Revenue from services, including those embedded in contract for sale of goods, namely, freight and insurance services mainly in case of export sales, is recognised upon completion of services.

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

Revenue is measured based on the consideration to which the Company expects to be entitled as per contract with a customer. The consideration is determined based on the price specified in the contract, net of the estimated variable consideration. Accumulated experience is used to estimate and provide for the variable consideration, using the expected value method and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. Contracts with customers are for short-term, at an agreed price basis having contracted credit period ranging up to 180 days. The contracts do not grant any rights of return to the customer. Returns of goods are accepted by the Company only on an exception basis. Revenue excludes any taxes or duties collected on behalf of government that are levied on sales such as goods and services tax.

Eligible export incentives are recognised in the year in which the conditions precedent are met and there is no significant uncertainty about the collectability.

## Other Income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

## 1.6 Inventories:

- i) Raw materials – is valued at the lower of cost or net realisable value. The cost is determined on FIFO / specific identification basis.
- ii) Finished goods – valued at the lower of cost or net realisable value. The cost of material is determined on FIFO/specific identification basis.
- iii) Work-in-progress is valued at material cost including appropriate production overhead.
- iv) Stores and spares are valued at the lower of cost or net realisable value. Cost is determined on FIFO basis.

Due allowances are made for slow | non-moving, defective and obsolete inventories based on estimates made by the Company.

## 1.7 Foreign currency transactions and translation

### i) "Functional and presentation currency:

Items included in the Consolidated Financial Statements of the Company are measured using the currency of the primary economic environment in which the Company operates (functional currency). The Consolidated Financial Statements of the Company are presented in Indian currency (₹), which is also the functional currency of the Company.

### ii) "Transactions and balances:

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gain | (loss) resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the Consolidated Statement of Profit and Loss, except that they are deferred in other equity if they relate to qualifying cash flow hedges. Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Consolidated Statement of Profit and Loss, within finance costs. All other foreign exchange gain | (loss) presented in the Consolidated Statement of Profit and Loss are on a net basis within other income.

Non-monetary items that are measured at fair value and denominated in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain | (loss). Non-monetary items that are measured in terms of historical cost in a foreign currency are not revalued.

## 1.8 Taxes

### Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The Company determines the tax as per the provisions of Income Tax Act 1961 and other rules specified thereunder.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

## Deferred tax

Deferred tax is provided in full using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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.

## 1.9 a) Property, plant and equipment

Property, plant and equipment are stated at cost net of accumulated depreciation and where applicable

accumulated impairment losses. Property, plant and equipment and capital work in progress cost include expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials, direct labour and any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Property, plant and equipment that are not ready for intended use as on the date of Consolidated Balance Sheet are disclosed as 'capital work-in-progress'.

## Subsequent Cost

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is de-recognised and charged to the statement of Profit and Loss. The costs of the day-to-day servicing of property, plant and equipment are recognised in the Statement of Profit and Loss.

## b) Intangible assets

"Intangible assets are stated at cost less accumulated amortisation and impairment loss.

The system software which is expected to provide future enduring benefits is capitalised. The capitalised cost includes license fees and cost of implementation/system integration. Computer software cost is amortised over a period of three years using the straight-line method.

Development expenditure qualifying as an intangible asset, if any, is capitalised, to be amortised over the economic life of the product/patent.

## Depreciation and amortisation

The charge in respect of periodic depreciation is derived after determining an estimate of expected useful life and the expected residual value of the assets at the end of its useful life. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life.

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

The depreciation on tangible assets is calculated on SLM method over the estimated useful life of assets prescribed by the Schedule II to the Companies Act 2013 as follows:

Asset class	Estimated Useful Life
Plant and machinery	20 years
Office equipment	5 years
Computers/Servers	3/6 years
Vehicles	8 years
Furniture and fixtures	10 years
Electrical installation	10 years
Office premises	60 years
Residential premises	60 years
Factory Building	30 years
Computer Softwares (Perpetual)	3 Years

The useful life has been determined based on technical evaluation done by the Management/experts, which are different from the useful life prescribed in Part C of Schedule II of the Act in order to reflect actual use of the assets. The residual values ,useful life and method of depreciation of property, plant and equipment are reviewed annually and adjusted prospectively, if appropriate.

The carrying amount of an asset is written down immediately to its recoverable amount if the carrying amount of the asset is greater than its estimated recoverable amount.

Land accounted under finance lease is amortised on a straight-line basis over the primary period of lease.

## Derecognition of assets

An item of property plant & equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the statement of profit and loss when the asset is derecognised.

## 1.10 Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The

contingent liability is not recognised in books of account but its existence is disclosed in financial statements.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

## 1.11 Contingent Assets

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by future events not wholly within the control of the entity.

Contingent assets require disclosure only. If the realisation of income is virtually certain, the related asset is not a contingent asset and recognition is required.

## 1.12 Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) 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 Company's 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.

A previously recognised impairment loss is further provided or reversed depending on changes in the circumstances and to the extent that carrying amount of the assets does not exceed the carrying amount that will be determined if no impairment loss had previously been recognised.

## 1.13 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

## 1.14 Financial instruments

### Initial recognition

The company recognise the financial asset and financial liabilities when it becomes a party to the contractual provisions of the instruments. All the financial assets and financial liabilities are recognised at fair value on initial recognition, except for trade receivable which are initially recognised at transaction price. Transaction cost that are directly attributable to the acquisition of financial asset and financial liabilities, that are not at fair value through profit and loss, are added to the fair value on the initial recognition.

### Subsequent measurement

#### (A) Non derivative financial instruments

##### (i) Financial Assets at amortised cost

A financial assets is measured at the amortised cost if both the following conditions are met :

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. All the Loans and other receivables under financial assets (except Investments) are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Trade receivables do not carry any interest and are stated at their nominal value as reduced by impairment amount.

##### (ii) Financial Assets at Fair Value through Profit or Loss/Other comprehensive income

Instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

If the company decides to classify an instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in

the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the company may transfer the cumulative gain or loss within equity.

##### (iii) Financial liabilities

The measurement of financial liabilities depends on their classification, as described below:

##### (a) Loans and borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. If not, the fee is deferred until the draw down occurs.

Borrowings are removed from the Consolidated Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income | (expense).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period

##### (b) Trade & other payables

After initial recognition, trade and other payables maturing within one year from the Balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

##### (B) Derivative financial instruments

The company holds derivatives financial instruments such as foreign exchange forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. Company has taken all the forward contract from the bank.

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

The company have derivative financial assets/financial liabilities which are not designated as hedges;

Derivatives not designated are initially recognised at the fair value and attributable transaction cost are recognised in statement of profit and loss, when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit and loss. Asset/Liabilities in this category are presented as current asset/current liabilities.

## Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

## 1.15 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised 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.

Other borrowing costs are expensed in the period in which they are incurred."

## 1.16 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, as they are considered an integral part of the Company's cash management.

## 1.17 Employee Benefits

### i) Defined contribution plans (Provident Fund)

In accordance with Indian Law, eligible employees receive benefits from Provident Fund, which is defined contribution plan. Both the employee and employer make monthly contributions to the plan, which is

administered by the Government authorities, each equal to the specific percentage of employee's basic salary. The Company has no further obligation under the plan beyond its monthly contributions. Obligation for contributions to the plan is recognised as an employee benefit expense in the Statement of Profit and Loss when incurred.

### ii) Defined benefit plans (Gratuity)

Gratuity liability is a defined benefit obligation and is computed on the basis of an actuarial valuation by an actuary appointed for the purpose as per projected unit credit method at the end of each financial year. The liability or asset recognised in the Consolidated Balance Sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The liability so provided is paid to a trust administered by the Company, which in turn invests in eligible securities to meet the liability as and when it becomes due for payment in future. Any shortfall in the value of assets over the defined benefit obligation is recognised as a liability with a corresponding charge to the Consolidated Statement of Profit and Loss.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows with reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate at the beginning of the period to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Consolidated Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur directly in other comprehensive income. They are included in retained earnings in the Statement of changes in equity and in the Consolidated Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost."

The Company recognises all Remeasurement of net defined benefit liability/asset directly in other comprehensive income and presented within equity.

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

## iii) Short term benefits

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as a related service provided. A liability is recognised for the amount expected to be paid under short term cash bonus or profit sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

## 1.18 Lease

The Company assesses whether a contract is, or contains a lease, at inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: i) the contract involves the use of an identified asset, ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and iii) the Company has the right to direct the use of the asset.

At the commencement date of the lease, the Company recognises a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for short-term leases (leases with a term of twelve months or less), leases of low value assets and, for contract where the lessee and lessor has the right to terminate a lease without permission from the other party with no more than an insignificant penalty. The lease expense of such short-term leases, low value assets leases and cancellable leases, are recognised as an operating expense on a straight-line basis over the term of the lease.

At the commencement date, lease liability is measured at the present value of the lease payments to be paid during the non-cancellable period of the contract, discounted using the incremental borrowing rate. The right-of-use assets is initially recognised at the amount of the initial measurement of the corresponding lease liability, lease payments made at or before commencement date less any lease incentives received and any initial direct costs.

Subsequently, the right-of-use asset is measured at cost less accumulated depreciation and any impairment losses. Lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using effective interest rate method) and reducing the carrying amount to reflect the lease payments made. The right-of-use asset and lease liability are also adjusted to

reflect any lease modifications or revised in-substance fixed lease payments.

## 1.19 Earnings per share

Basic and diluted earnings per share are computed by dividing the net profit attributable to equity shareholders for the year, by the weighted average number of equity shares outstanding during the year.

## 1.20 Research and Development expenditure

Expenditure on research is recognised as an expense when it is incurred. Expenditure on development which does not meet the criteria for recognition as an intangible assets is recognised as an expense when it is incurred. Items of Property, Plant and Equipment and acquired Intangible assets are used for research and development are capitalised and depreciated in accordance with the policies stated for Property, Plant and Equipment and Intangible assets.

## 1.21 Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 1 - Presentation of Financial Statements-This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors-This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 12 - Income Taxes- This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its financial statement.

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

## 2 Property, Plant and Equipment

### Current reporting year

Particulars	Building	Plant and Machinery	Furniture and Fixtures	Vehicles	Office equipment	Computers	Rs. in Lakhs Total
<b>Cost as at 1 April 2022</b>	5,453.41	11,747.59	514.06	224.39	222.79	283.96	18,446.20
Addition	523.31	2,363.08	715.95	50.98	35.06	93.47	3,781.86
Disposals/Adjustment	0.71	19.60	0.33	—	—	—	20.64
<b>Cost as at 31 March 2023</b>	<b>5,976.01</b>	<b>14,091.07</b>	<b>1,229.68</b>	<b>275.37</b>	<b>257.85</b>	<b>377.43</b>	<b>22,207.41</b>
<b>Accumulated depreciation as at 1 April 2022</b>	492.72	1,656.08	109.99	57.73	139.01	146.38	2,601.92
Depreciation charge for the year	153.66	801.94	73.53	27.62	40.61	72.76	1,170.11
Reversal on disposal/Adjustments	—	—	—	—	—	—	—
<b>Accumulated depreciation as at 31 March 2023</b>	<b>646.38</b>	<b>2,458.02</b>	<b>183.52</b>	<b>85.35</b>	<b>179.62</b>	<b>219.14</b>	<b>3,772.03</b>
<b>Net Carrying Amount as at 31 March 2023</b>	<b>5,329.63</b>	<b>11,633.05</b>	<b>1,046.17</b>	<b>190.02</b>	<b>78.24</b>	<b>158.29</b>	<b>18,435.38</b>

### Previous reporting year

Particulars	Building	Plant and Machinery	Furniture and Fixtures	Vehicles	Office equipment	Computers	Rs. in Lakhs Total
<b>Cost as at 1 April 2021</b>	5,060.87	9,949.67	348.80	120.00	210.62	179.64	15,869.60
Addition	392.54	1,797.92	165.26	104.39	12.17	104.32	2,576.60
Disposals/Adjustment	—	—	—	—	—	—	—
<b>Cost as at 31 March 2022</b>	<b>5,453.41</b>	<b>11,747.59</b>	<b>514.06</b>	<b>224.39</b>	<b>222.79</b>	<b>283.96</b>	<b>18,446.20</b>
Accumulated depreciation as at 1 April 2021	332.00	1,008.00	77.00	37.00	100.00	98.00	1,652.00
<b>Depreciation charge for the year</b>	160.72	648.08	32.99	20.73	39.01	48.38	949.92
Reversal on disposal/Adjustments	—	—	—	—	—	—	—
<b>Accumulated depreciation as at 31 March 2022</b>	<b>492.72</b>	<b>1,656.08</b>	<b>109.99</b>	<b>57.73</b>	<b>139.01</b>	<b>146.38</b>	<b>2,601.92</b>
<b>Net Carrying Amount as at 31 March 2022</b>	<b>4,960.69</b>	<b>10,091.51</b>	<b>404.07</b>	<b>166.66</b>	<b>83.78</b>	<b>137.58</b>	<b>15,844.31</b>

## 3 Right of Use Assets

Particulars	Rs. in Lakhs As at 31 March 2023
<b>Cost as at 1 April 2022</b>	1,992.58
Addition	1,846.70
Disposals	—
Adjustment	—
<b>Cost as at 31 March 2023</b>	<b>3,839.28</b>
<b>Accumulated amortisation as at 1 April 2022</b>	56.01
Ammortization charge for the year	41.35
Reversal on Disposal of assets	—
<b>Accumulated amortisation as at 31 March 2023</b>	<b>97.36</b>
<b>Net Carrying Amount as at 31 March 2023</b>	<b>3,741.91</b>

Particulars	Rs. in Lakhs As at 31 March 2022
<b>Cost as at 1 April 2021</b>	1,992.58
Addition	—
Disposals	—
Adjustment	—
<b>Cost as at 31 March 2022</b>	<b>1,992.58</b>

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

## 3 Right of Use Assets (Contd..)

Particulars	Rs. in Lakhs	As at 31 March 2022
Accumulated ammortisation as at 1 April 2021		–
Ammortization charge for the year		56.01
Reversal on Disposal of assets		–
<b>Accumulated ammortisation as at 31 March 2022</b>		<b>56.01</b>
<b>Net Carrying Amount as at 31 March 2022</b>		<b>1,936.57</b>

## 4 Capital work in progress

Particulars	Rs. in Lakhs	As at 31 March 2023	As at 31 March 2022
Opening Balance		189.16	–
Add: Addition during the year		2,448.28	189.16
Less: Capitalised during the year		85.69	–
<b>Closing Balance</b>		<b>2,551.76</b>	<b>189.16</b>

### 4.1 Capital Work-in-Progress Ageing Schedule

Current reporting year 31 March 2023

Particulars	Amount in CWIP for a period of				As at 31 March 2023
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
Projects in progress	2,362.60	189.16	–	–	2,551.76
Projects temporarily suspended	–	–	–	–	–

Previous reporting year 31 March 2022

Particulars	Amount in CWIP for a period of				As at 31 March 2022
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
Projects in progress	189.16	–	–	–	189.16
Projects temporarily suspended	–	–	–	–	–

## 5 Other Intangible assets

Particulars	Licensing and Patent	Software	Trademark	Rs. in Lakhs	As at 31 March 2023
				31 March 2023	
<b>Cost as at 1 April 2022</b>	805.87	–	9.28	815.15	
Addition	848.01	26.81	–	874.82	
Disposals	–	–	–	–	
Adjustment	–	–	–	–	
<b>Cost as at 31 March 2023</b>	<b>1,653.88</b>	<b>26.81</b>	<b>9.28</b>	<b>1,689.97</b>	
<b>Accumulated ammortisation as at 1 April 2022</b>	–	–	2.10	2.10	
Ammortization charge for the year	–	1.66	0.47	2.13	
Reversal on Disposal of assets	–	–	–	–	
<b>Accumulated ammortisation as at 31 March 2023</b>	<b>–</b>	<b>1.66</b>	<b>2.57</b>	<b>4.23</b>	
<b>Net Carrying Amount as at 31 March 2023</b>	<b>1,653.88</b>	<b>25.15</b>	<b>6.71</b>	<b>1,685.74</b>	

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

## 5 Other Intangible assets (Contd..)

Particulars	Licensing and Patent	Trademark	As at 31 March 2022	Rs. in Lakhs
<b>Cost as at 1 April 2021</b>	776.79	0.75	777.54	
Addition	29.08	8.53	37.61	
Disposals	—	—	—	
Adjustment	—	—	—	
<b>Cost as at 31 March 2022</b>	<b>805.87</b>	<b>9.28</b>	<b>815.15</b>	
<b>Accumulated amortisation as at 1 April 2021</b>	—	—	—	
Ammortization charge for the year	—	2.10	2.10	
Reversal on Disposal of assets	—	—	—	
<b>Accumulated amortisation as at 31 March 2022</b>	<b>—</b>	<b>2.10</b>	<b>2.10</b>	
<b>Net Carrying Amount as at 31 March 2022</b>	<b>805.87</b>	<b>7.18</b>	<b>813.05</b>	

## 6 Intangible assets under development

Particulars	As at 31 March 2023	As at 31 March 2022	Rs. in Lakhs
Opening Balance	106.89	—	
Add: Addition during the year	320.89	109.49	
Less: Capitalised during the year	—	2.60	
<b>Closing Balance</b>	<b>427.78</b>	<b>106.89</b>	

### 6.1 Intangible assets under development ageing Schedule

Current reporting year 31 March 2023

Particulars	CWIP Amount in CWIP for a period of				As at 31 March 2023	Rs. in Lakhs
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years		
Projects in progress	320.89	106.48	0.05	0.36	427.78	
Projects temporarily suspended	—	—	—	—	—	

Previous reporting year 31 March 2022

Particulars	CWIP Amount in CWIP for a period of				As at 31 March 2022	Rs. in Lakhs
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years		
Projects in progress	89.48	2.66	0.36	14.40	106.89	
Projects temporarily suspended	—	—	—	—	—	

## 7 Investments - non current

Particulars	As at 31 March 2023		As at 31 March 2022	Rs. in Lakhs
Investment in others at cost (refer note 7.1)		165.07		171.31
<b>Total</b>		<b>165.07</b>		<b>171.31</b>

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

## 7.1 Details of Investments

Name of Entity	No of Shares	As at		As at 31 March 2022	Rs. in Lakhs
		31 March 2023	No of Shares		
Globe Enviro Care Limited, Unquoted	74,171.00	10.46	74,171.00	10.46	
Sachin Industrial Co. Operative Society, Unquoted	3,009.00	0.35	3,006.00	0.33	
Prodigy Biotech Inc, Unquoted	6,05,000.00	145.54	6,05,000.00	151.80	
Narmada Cleantech Limited, Unquoted	82,176.00	8.60	82,176.00	8.60	
Bharuch Enviro Infrastructure Limited, Unquoted	1,260.00	0.13	1,260.00	0.13	
<b>Total</b>		<b>165.07</b>			<b>171.31</b>

### Aggregate details of Investment

Particulars	As at		Rs. in Lakhs
	31 March 2023	31 March 2022	
Aggregate market value as at the end of the year	165.07	171.31	
Market value of quoted investments	—	—	
<b>Market value of Un-quoted investments</b>	<b>165.07</b>	<b>171.31</b>	

## 8 Loans - non current financial assets

Particulars	As at		Rs. in Lakhs
	31 March 2023	31 March 2022	
Loans to related parties	21.73	—	
Loans to employees	0.33	—	
<b>Total</b>	<b>22.06</b>	<b>—</b>	

## 9 Other financial assets - non current

Particulars	As at		Rs. in Lakhs
	31 March 2023	31 March 2022	
Security deposits	402.84	778.05	
Other receivables	52.42	101.67	
Surplus of Investment over liability	168.85	206.01	
<b>Total</b>	<b>624.11</b>	<b>1,085.73</b>	

Investment in Key Man Insurance is Measured at Surrender value to the extent details are available, in cases where details are not available regarding Surrender value or Fund NAV, same has been taken at cost of Premium.

## 10 Other non current assets

Particulars	As at		Rs. in Lakhs
	31 March 2023	31 March 2022	
Advances other than capital advances	—	644.79	
Prepaid expenses	—	279.78	
<b>Total</b>	<b>—</b>	<b>924.57</b>	

## 11 Inventories

Particulars	As at		Rs. in Lakhs
	31 March 2023	31 March 2022	
Raw materials	6,756.18	7,839.92	
Work-in-progress	1,711.94	1,110.45	

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

## 11 Inventories (Contd..)

Particulars	Rs. in Lakhs	
	As at 31 March 2023	As at 31 March 2022
Finished goods	2,832.67	1,938.57
Packing Material	616.51	328.15
<b>Total</b>	<b>11,917.30</b>	<b>11,217.09</b>

## 12 Trade Receivables

Particulars	Rs. in Lakhs	
	As at 31 March 2023	As at 31 March 2022
Unsecured, considered good*	23,026.11	16,370.22
<b>Total</b>	<b>23,026.11</b>	<b>16,370.22</b>

\*Note: Refer Note 12.a for Details of Hypothecation/Mortgage.

### Trade Receivables Ageing schedule

#### For Current Reporting Year

Particulars	Undue- Considered Good	Outstanding for following periods from due date of payment					As at 31 March 2023
		Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
<b>Undisputed Trade receivables</b>							
- considered good	19,579.16	3,203.33	228.23	7.91	9.72	1.74	23,030.09
- which have significant increase in credit risk	-	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-	-
<b>Disputed Trade receivables</b>							
- considered good	-	-	-	-	-	-	-
- which have significant increase in credit risk	-	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-	-
<b>Sub Total</b>	<b>19,579.16</b>	<b>3,203.33</b>	<b>228.23</b>	<b>7.91</b>	<b>9.72</b>	<b>1.74</b>	<b>23,030.09</b>
Provision for Expected Credit Loss							(3.98)
<b>Total</b>							<b>23,026.11</b>

#### For Previous Year

Particulars	Undue- Considered Good	Outstanding for following periods from due date of payment					As at 31 March 2022
		Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
<b>Undisputed Trade receivables</b>							
- considered good	12,049.47	4,227.22	76.51	13.77	4.98	-	16,371.95
- which have significant increase in credit risk	-	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-	-
<b>Disputed Trade receivables</b>							
- considered good	-	-	-	-	-	-	-
- which have significant increase in credit risk	-	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-	-
<b>Sub Total</b>	<b>12,049.47</b>	<b>4,227.22</b>	<b>76.51</b>	<b>13.77</b>	<b>4.98</b>	<b>-</b>	<b>16,371.95</b>
Provision for Expected Credit Loss							(1.73)
<b>Total</b>							<b>16,370.22</b>

\*Note: Refer Note 12.a for Details of Hypothecation/Mortgage.

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

## 12.a Details of Hypothecation / Mortgage

Notes	Particular	Maturity	Rs. in Lakhs	
			Term of Repayment	Interest Rate
a)	<b>Secured</b> Cash credit loan from banks repayable on demand Including Letter of Credit & Bank Guarantee	Short-term	Repayable on demand	Repo + 2.00% (31 March 2023, 7.9%)
	Vehicle Loans	Long-term	Upto 3 Years	7.90 % to 10.00%
b)	<b>Security details:</b> Working capital loans repayable on demand from banks is secured by hypothecation of tangible current assets, namely, inventories and book debts of Sachin Facility of the Company and also secured by second and subservient charge on immovable assets (Plot No. 440/5, 6, 8206/B located in Sachin GIDC) & Movable Assets of Sachin Facility of the Company.			

## 13 Cash and cash equivalents

Particulars	Rs. in Lakhs	
	As at 31 March 2023	As at 31 March 2022
Balances with Banks	3,045.66	1,012.96
Cash on hand	7.60	16.70
<b>Total</b>	<b>3,053.26</b>	<b>1,029.66</b>

## 14 Bank balances other than Cash and cash equivalents

Particulars	Rs. in Lakhs	
	As at 31 March 2023	As at 31 March 2022
Bank deposits with original maturity of 3-12 months	2,813.76	8,925.49
<b>Total</b>	<b>2,813.76</b>	<b>8,925.49</b>

## 15 Loans - current financial assets

Particulars	Rs. in Lakhs	
	As at 31 March 2023	As at 31 March 2022
Unsecured, considered good	—	18.98
Loans to employees	133.58	46.41
<b>Total</b>	<b>133.58</b>	<b>65.39</b>

## 16 Current Tax Assets, net

Particulars	Rs. in Lakhs	
	As at 31 March 2023	As at 31 March 2022
Current Tax Assets, net	322.09	494.06
<b>Total</b>	<b>322.09</b>	<b>494.06</b>

## 17 Other current assets

Particulars	Rs. in Lakhs	
	As at 31 March 2023	As at 31 March 2022
Balances with government authorities	1,634.08	1,566.94
Advances to suppliers	2,017.84	934.45
Prepaid expenses	455.59	63.96

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

## 17 Other current assets (Contd..)

Particulars	Rs. in Lakhs	
	As at 31 March 2023	As at 31 March 2022
Advances for Capex	1,294.85	1,244.40
Other Receivable	339.27	1,045.48
<b>Total</b>	<b>5,741.63</b>	<b>4,855.23</b>

For Previous Year, The fire took place on 26/02/2021 damaging the company's property, plant and equipment and also raw material, packing material and stores and consumables resulting into loss amounting to Rs.1074.93 Lakhs. These assets are fully secured through insurance. The company has initially recognised insurance receivable of Rs.1074.93 Lakhs against such loss and reduced the same to Rs.1045.48 Lakhs after adjusting salvage value of Rs.29.45 Lakhs for left over. Out of which Rs. 762.24 Lakhs has been received from insurance company and balance is provided to profit and loss account under protest.

## 18 Equity Share Capital

Particulars	Rs. in Lakhs	
	As at 31 March 2023	As at 31 March 2022
<b>Authorised Share Capital</b>		
5,00,00,000 (PY - 5,00,00,000) Equity Shares of Rs. 10 each	5,000.00	5,000.00
<b>Issued, subscribed &amp; fully paid up</b>		
3,64,37,062 (PY - 3,64,37,062) Equity Shares of Rs. 10 each	3,643.71	3,643.71
<b>Total</b>	<b>3,643.71</b>	<b>3,643.71</b>

Out of total 3,64,37,062 shares, the company has issued 16,58,374 & 32,78,688 Equity shares fully paid were issued on preferential basis and Intial Public offer respectively.

The Company has only one class of equity shares. Each holder of equity shares is entitled to one vote per share. The dividend proposed, if any by the Board of Directors is subject to approval of the shareholders.

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

### Reconciliation of Share Capital

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of Shares	Amount	Number of Shares	Amount
Opening Balance	3,64,37,062.00	3,643.71	3,15,00,000.00	3,150.00
Changes due to prior period error	—	—	—	—
Issued during the year	—	—	49,37,062.00	493.71
Issued during the year	—	—	—	—
Deletion	—	—	—	—
<b>Closing balance</b>	<b>3,64,37,062.00</b>	<b>3,643.71</b>	<b>3,64,37,062.00</b>	<b>3,643.71</b>

### Equity Share holder holding more than 5%

Name of Share Holder	As at 31 March 2023		As at 31 March 2022	
	No of Shares	% of Shareholding	No of Shares	% of Shareholding
Nareshkumar R. Patel	40,03,710	10.99%	40,03,710	10.99%
Sheetalben N Patel	36,37,500	9.98%	39,37,500	10.81%
Chetankumar C. Vaghasia	30,97,500	8.50%	30,97,500	8.50%
Parulben Chetanbhai Vaghasia	29,37,500	8.06%	32,37,500	8.89%
Dhwani Girishkumar Chovatia	25,20,000	6.92%	25,20,000	6.92%
Girishkumar Limbabhai Chovatia	30,95,430	8.50%	30,95,430	8.50%
Kiranben Girishbhai Chovatiya	20,40,000	5.60%	30,40,000	8.34%

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

## 18 Equity Share Capital (Contd..)

Shares held by promoters at 31 March 2023

Name of Promotor	Class of shares	No. of Shares	% of total shares	% Change during the year
Nareshkumar R. Patel	Equity	40,03,710	10.99%	0.00%
Sheetalben N Patel	Equity	36,37,500	9.98%	-0.82%
Parulben Chetanbhai Vaghasia	Equity	29,37,500	8.06%	0.00%
Chetankumar C. Vaghasia	Equity	30,97,500	8.50%	-0.82%

Shares held by promoters at 31 March 2022

Name of Promotor	Class of shares	No of Shares	% of total shares	% Change during the year
Nareshkumar R. Patel	Equity	40,03,710	10.99%	0.00%
Sheetalben N Patel	Equity	39,37,500	10.81%	0.00%
Parulben Chetanbhai Vaghasia	Equity	32,37,500	8.89%	-17.78%
Chetankumar C. Vaghasia	Equity	30,97,500	8.50%	0.00%

## 19 Other Equity

Particulars	Rs. in Lakhs	
	As at 31 March 2023	As at 31 March 2022
Capital Reserve	200.02	200.02
Securities premium	27,276.85	27,656.62
Retained Earnings	27,563.82	20,322.72
Other items of OCI	711.52	404.34
<b>Total</b>	<b>55,752.21</b>	<b>48,583.69</b>

### Movement of Other Equity

Particulars	Rs. in Lakhs	
	As at 31 March 2023	As at 31 March 2022
<b>Capital Reserve</b>		
Opening Balance	200.02	—
Add: Transfer from P&L	—	200.02
Less: Deletion	—	—
(Add)/Less: Adjustment	—	—
<b>Closing Balance</b>	<b>200.02</b>	<b>200.02</b>
<b>Securities premium</b>		
Opening Balance	27,656.62	—
Add: Issue of Equity Shares	—	27,656.62
Less: Deletion	—	—
Add/(Less): Share issue Expenses	(379.77)	—
<b>Closing Balance</b>	<b>27,276.85</b>	<b>27,656.62</b>
<b>Retained Earnings</b>		
Balance at the beginning of the year	20,322.72	13,128.11
Add: Profit/(Loss) during the year	8,334.27	7,194.61
Less: Appropriation	—	—
Transfer to General Reserve	—	—
Dividend on Equity Shares (Incl. DDT)	(1093.17)	—
Dividend on Preference Shares (Incl. DDT)	—	—
Remeasurement Gain/(Loss) of defined Benefit Plan(net of tax)	—	—
<b>Balance at the end of the year</b>	<b>57,563.82</b>	<b>20,322.72</b>

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

## 19 Other Equity (Contd..)

Particulars	Rs. in Lakhs	
	As at 31 March 2023	As at 31 March 2022
<b>Other items of OCI</b>		
Opening Balance	404.34	215.20
Remeasurement Gain/(Loss) of defined Benefit Plan(net of tax)	307.19	189.14
Less: Deletion	—	—
(Add)/Less: Adjustment	—	—
<b>Closing Balance</b>	<b>711.52</b>	<b>404.34</b>
<b>Total</b>	<b>55,752.21</b>	<b>48,583.69</b>

## 20 Borrowings - non current financial liabilities

Particulars	Rs. in Lakhs	
	As at 31 March 2023	As at 31 March 2022
Secured Term loans from Bank	62.59	58.80
<b>Total</b>	<b>62.59</b>	<b>58.80</b>

### Terms of Repayment

Sr No	Name of Lender	Amount	Details	Security
1	Axis Bank - Auto Loan (Bolero)	0.84		
2	HDFC Eicher Pro Loan No.-85375754	8.22		
3	HDFC Eicher Pro Loan No.-85393376	8.22		
4	HDFC Bolero Pick Up Loan No.-85393380	3.93		
5	HDFC Ambulance Magic Loan No.- 85408912	3.98	Vehicle Loan	Secured by Hypothecation on Particular Vehicle
6	HDFC Ambulance Magic Loan No.- 85408909	3.97		
7	HDFC Aura Auto Car Loan	2.84		
8	HDFC Kia Car Loan	6.42		
	<b>Total</b>	<b>38.42</b>		

## 21 Provisions - non current

Particulars	Rs. in Lakhs	
	As at 31 March 2023	As at 31 March 2022
Provision for employee benefits	68.14	43.60
<b>Total</b>	<b>68.14</b>	<b>43.60</b>

## 22 Deferred tax liabilities, net

Particulars	Rs. in Lakhs	
	As at 31 March 2023	As at 31 March 2022
Deferred tax liabilities, net	882.58	626.43
<b>Total</b>	<b>882.58</b>	<b>626.43</b>

## 23 Borrowings - current financial liabilities

Particulars	Rs. in Lakhs	
	As at 31 March 2023	As at 31 March 2022
Secured Current maturities of Long term borrowing	20.38	—
Secured Loans repayable on demand from Banks	277.06	25.60
<b>Total</b>	<b>297.44</b>	<b>25.60</b>

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

## 23 Borrowings - current financial liabilities (Contd..)

### Particulars of Borrowings

Name of Lender/Type of Loan	Rate of Interest	Nature of Security
Axis Bank EPC Loan	Repo Rate + 2.5%	Secured against Fix Deposite with Axis Bank Limited

## 24 Trade Payables - current

Particulars	Rs. in Lakhs	
	As at 31 March 2023	As at 31 March 2022
Total outstanding dues of Micro Enterprise and small enterprise	7,651.11	1,508.05
Total outstanding dues of Creditor of other than Micro Enterprise and small enterprise	6,553.66	10,333.71
<b>Total</b>	<b>14,204.77</b>	<b>11,841.76</b>

### Trade Payables ageing schedule as at 31 March 2023

Particulars	Undue	Outstanding for following periods from due date of payment				As at 31 March 2023
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	6,560.51	1,090.60	-	-	-	7,651.11
(ii) Others	2,933.13	3,620.53	-	-	-	6,553.66
(iii) Disputed dues- MSME	-	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-	-
<b>Total</b>	<b>9,493.64</b>	<b>4,711.13</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14,204.77</b>

### Trade Payables ageing schedule as at 31 March 2022

Particulars	Undue	Outstanding for following periods from due date of payment				As at 31 March 2022
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	981.64	526.42	-	-	-	1,508.05
Others	8,217.89	2,115.20	0.33	0.28	-	10,333.71
Disputed dues- MSME	-	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-	-
<b>Total</b>	<b>9,199.53</b>	<b>2,641.61</b>	<b>0.33</b>	<b>0.28</b>	<b>-</b>	<b>11,841.76</b>

## 25 Other current liabilities

Particulars	Rs. in Lakhs	
	As at 31 March 2023	As at 31 March 2022
Statutory dues payable	279.79	258.96
Others Payables	363.60	203.69
<b>Total</b>	<b>643.39</b>	<b>462.65</b>

## 26 Provisions - current

Particulars	Rs. in Lakhs	
	As at 31 March 2023	As at 31 March 2022
Provision for employee benefits	10.36	-
Provision for Expenses	1,128.65	602.05
<b>Total</b>	<b>1,139.01</b>	<b>602.05</b>

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

## 27 Revenue From Operations

Particulars	Rs. in Lakhs	
	For Year ended 31 March 2023	For Year ended 31 March 2022
Sale of products	61,305.68	51,818.77
Other operating revenues	367.72	194.73
<b>Total</b>	<b>61,673.40</b>	<b>52,013.50</b>

## 28 Other Income

Particulars	Rs. in Lakhs	
	For Year ended 31 March 2023	For Year ended 31 March 2022
Interest income	217.89	258.18
Net gain on foreign currency translation	213.23	13.17
Other non operationg income	0.86	4.88
<b>Total</b>	<b>431.98</b>	<b>276.23</b>

## 29 Cost of materials consumed

Particulars	Rs. in Lakhs	
	For Year ended 31 March 2023	For Year ended 31 March 2022
<b>Raw Material consumed</b>		
Opening stock	7,839.92	3,866.99
Purchases	33,501.38	32,206.23
Less: Closing stock	6,756.18	7,839.92
<b>Total</b>	<b>34,585.12</b>	<b>28,233.30</b>

## 30 Changes in inventories of finished goods, Stock in Trade and work in progress

Particulars	Rs. in Lakhs	
	For Year ended 31 March 2023	For Year ended 31 March 2022
Opening stock		
Finished Goods	1,938.57	1,226.27
WIP	1,110.45	873.08
Less: Closing Stock		
Finished Goods	2,832.67	1,938.57
WIP	1,711.94	1,110.45
<b>Total</b>	<b>(1,495.59)</b>	<b>(949.67)</b>

## 31 Employee benefits expense

Particulars	Rs. in Lakhs	
	For Year ended 31 March 2023	For Year ended 31 March 2022
Salaries and wages	4,335.69	3,872.90
Contribution to provident and other fund	270.11	148.21
Staff welfare expenses	277.81	115.53
<b>Total</b>	<b>4,883.61</b>	<b>4,136.64</b>

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

## 32 Finance costs

Particulars	Rs. in Lakhs	
	For Year ended 31 March 2023	For Year ended 31 March 2022
Interest expenses	241.23	640.73
<b>Total</b>	<b>241.23</b>	<b>640.73</b>

## 33 Depreciation and amortization expense

Particulars	Rs. in Lakhs	
	For Year ended 31 March 2023	For Year ended 31 March 2022
Depreciation on Property, Plant and Equipments	1,190.76	949.91
Amortisation of Intangible Assets	2.13	2.10
Amortisation of Right of Use Assets	41.35	56.01
<b>Total</b>	<b>1,234.24</b>	<b>1,008.02</b>

## 34 Other expenses

Particulars	Rs. in Lakhs	
	For Year ended 31 March 2023	For Year ended 31 March 2022
Commission	768.27	359.76
Consumption of stores and spare parts	461.63	276.36
Insurance	284.98	219.09
Power and fuel	2,228.49	2,139.64
Professional fees	276.23	194.24
Provision for bad and doubtful debts	2.26	1.73
Rent	37.64	36.81
Rates and taxes	31.39	54.35
Selling & Distribution Expenses	305.97	72.87
Travelling Expenses	151.56	60.85
<b>Auditor's Remuneration</b>		
Audit Fees	7.50	7.00
Limited Review fees	7.50	6.50
Communication Expenses	4.52	10.69
Conversion and plant operation charges	862.57	859.43
Directors' commission (other than the Executive Directors)	39.30	12.30
Directors Sitting Fees	20.70	18.30
Expenditure on Corporate Social Responsibility initiatives	139.43	96.03
Freight, clearing and forwarding charges	1,574.29	1,559.22
Job Work Charges	2,954.14	3,481.23
R&D Testing	27.25	12.33
Loss on assets sold, discarded or demolished	74.66	-
Printing and Stationery	34.84	30.38
Repairs and Maintenance	392.85	336.25
Security Expenses	96.91	79.48
Miscellaneous Expenses	654.76	150.83
<b>Total</b>	<b>11,439.64</b>	<b>10,075.67</b>

## 35 Tax expenses

Particulars	Rs. in Lakhs	
	For Year ended 31 March 2023	For Year ended 31 March 2022
Current tax	2,637.72	1,672.15
Deferred tax	250.49	278.28
<b>Total</b>	<b>2,888.21</b>	<b>1,950.43</b>

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

## 36 Earning per share

Particulars	Rs. in Lakhs	
	For Year ended 31 March 2023	For Year ended 31 March 2022
Profit for the year	8,334.26	7,194.61
Profit attributable to equity shareholders	8,334.26	7,194.61
Weighted average number of Equity Shares	3,64,37,062	3,42,05,239
Earnings per share basic (Rs)	22.87	21.03
Earnings per share diluted (Rs)	22.87	21.03
Face value per equity share (Rs)	10	10

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

After considering the impact of issue of bonus shares in the ratio of 2 equity shares of Rs.10 each, for every 1 equity shares of Rs.10 each at the EGM held on March 31, 2021. 2,10,00,000 Bonus Equity Shares have been allotted on March 31, 2021 and equity share capital of the company has increased to 3,15,00,000 (number of shares).

## 37 Defined Contribution Plan

Particulars	Rs. in Lakhs	
	For Year ended 31 March 2023	For Year ended 31 March 2022
Employers Contribution to Provident Fund	195.59	156.91
Employers Contribution to Employee State Insurance	7.54	10.23
Employers Contribution to Labour Welfare Fund	0.03	0.16

## 38 Defined Benefit Plans

The Company has a funded defined benefit gratuity plan. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service as per the provision of the Payment of Gratuity Act, 1972 with total ceiling on gratuity of Rs.2,000,000.

### Changes in the present value of the defined benefit obligation in respect of Gratuity (funded)

Particulars	Rs. in Lakhs	
	As at 31 March 2023	As at 31 March 2022
Defined Benefit Obligation at beginning of the year	342.82	337.20
Current Service Cost	62.36	48.23
Interest Cost	22.93	30.25
Actuarial (Gain) / Loss	(3.44)	(40.02)
Benefits Paid	(5.06)	(32.84)
Defined Benefit Obligation at year end	419.61	342.82

### Changes in the fair value of plan assets

Particulars	Rs. in Lakhs	
	As at 31 March 2023	As at 31 March 2022
Fair value of plan assets as at the beginning of the year	548.83	21.28
Expected return on plan assets	14.85	16.50

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

## 38 Defined Benefit Plans (Contd..)

Particulars	Rs. in Lakhs	
	As at 31 March 2023	As at 31 March 2022
Contributions	0.47	511.05
Benefits paid	—	—
Actuarial gain/ (loss) on plan assets	—	—
<b>Fair value of plan assets as at the end of the year</b>	<b>564.15</b>	<b>548.83</b>

### Reconciliation of present value of defined benefit obligation and fair value of assets

Particulars	Rs. in Lakhs	
	As at 31 March 2023	As at 31 March 2022
Present value obligation as at the end of the year	419.62	342.82
Fair value of plan assets as at the end of the year	(588.47)	(548.83)
Funded status/(deficit) or Unfunded net liability	(168.85)	(55.12)
Unfunded net liability recognized in balance sheet	—	—
Amount classified as:		
Short term provision	(79.52)	(61.69)
Long term provision	(89.33)	(144.32)

### Expenses recognized in Profit and Loss Account

Particulars	Rs. in Lakhs	
	For Year ended 31 March 2023	For Year ended 31 March 2022
Current service cost	62.36	48.23
Interest cost	(16.46)	28.85
Deficit in acquisition cost recovered	—	—
Expected return on plan assets	—	—
Net actuarial loss/(gain) recognized during the year	—	—
<b>Total expense recognised in Profit and Loss</b>	<b>45.90</b>	<b>77.08</b>

### Actuarial assumptions

Particulars	Rs. in Lakhs	
	As at 31 March 2023	As at 31 March 2022
Discount Rate	7.40%	6.95%
Expected Rate of increase in Compensation Level	7.00%	12.00%
Expected Rate of return on Plan assets	0.00%	0.00%
Mortality Rate	IALM (2012-13) Ult.	IALM (2012-13) Ult.
Retirement Rate	60 Year	60 Year
Average Attained Age	7.43	9.16
Withdrawal Rate	As Per Foot Note 2	2% For All Ages

### Sensitivity Analysis

Particulars	Rs. in Lakhs	
	As at 31 March 2023	As at 31 March 2022
<b>Discount rate Sensitivity</b>		
Increase by 0.5%	405.63	328.52
Decrease by 0.5%	434.51	358.24
<b>Salary growth rate Sensitivity</b>		
Increase by 0.5%	429.62	352.88
Decrease by 0.5%	409.47	332.79
<b>Withdrawal rate (W.R.) Sensitivity</b>		
W.R. x 110%	420.49	343.48
W.R. x 90%	418.56	341.87

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

## 38 Defined Benefit Plans (Contd..)

Expected Cash Flows	As at 31 March 2023	As at 31 March 2022
Year 1	45.98	25.75
Year 2	28.97	22.92
Year 3	71.28	17.45
Year 4	52.93	54.30
Year 5	35.79	40.16
Year 6 to 10	174.15	138.17
<b>Total Expected benefit payments</b>	<b>409.10</b>	<b>298.75</b>

## 39 Auditors' Remuneration

Particulars	Rs. in Lakhs	
	31 March 2023	31 March 2022
<b>Payments to auditor as</b>		
– Auditor	7.50	7.00
– for Limited Review	7.50	6.50
<b>Total</b>	<b>15.00</b>	<b>13.50</b>

## 40 Contingent Liabilities and Commitments

Particulars	As at 31 March 2023	As at 31 March 2022
Claims against the Company not acknowledged as debt		
– Income tax demands	269.56	269.56
<b>Total</b>	<b>269.56</b>	<b>269.56</b>

For AY 2012-13 order demanding Rs. 2,04,67,975/- has been raised for which auditee has filed appeal with CIT (Appeal).

For AY 2015-16 order demanding Rs. 61,89,672/- has been raised for which auditee has filed appeal with CIT (Appeal).

For AY 2016-17 order demanding Rs. 2,98,746/- has been raised for which auditee has filed appeal with CIT (Appeal).

## 41 Micro and Small Enterprise

Particulars	As at 31 March 2023	As at 31 March 2023
	Amount	Amount
Amount Due to Supplier	7,484.47	1,508.05
Principal amount paid beyond appointed date	–	–
Interest due and payable for the year	–	–
Interest accrued and remaining unpaid	–	–
Interest paid other than under Section 16 of MSMED Act to suppliers registered under the MSMED Act, beyond the appointed day during the year.	–	–
Interest paid under Section 16 of MSMED Act to suppliers registered under the MSMED Act beyond the appointed day during the year.	–	–
Further interest remaining due and payable for earlier years.	58.89	16.49

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

## 42 Earnings in Foreign Currencies

Particulars	For Year ended 31 March 2023	For Year ended 31 March 2022
	Rs. in Lakhs	Rs. in Lakhs
Export of Goods calculated on FOB basis	36,436.58	30,103.83
<b>Total</b>	<b>36,436.58</b>	<b>30,103.83</b>

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

## 43 Segment Reporting

### Business Segment

In accordance with IND AS 108 "Operating segment" – The Company used to present the segment information identified on the basis of internal report used by the Company to allocate resources to the segment and assess their performance. The Board of Directors of the Company is collectively the Chief Operating Decision Maker (CODM) of the Company.

The chief operating decision maker monitors the operating results of its segment separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated on the basis on profit and loss.

### Additional Information by Geographies

Particulars	Rs. in Lakhs	
	As at 31 March 2023	As at 31 March 2022
<b>Revenue from Sale of Products by Geographical Market</b>		
In India	24,869.10	21,714.95
Outside India	36,436.58	30,103.83
<b>Total</b>	<b>61,305.68</b>	<b>51,818.78</b>
<b>Carrying Amount of Segment Assets</b>		
In India	59,295.51	54,032.28
Outside India	16,328.56	10,934.25
<b>Total</b>	<b>75,624.07</b>	<b>64,966.53</b>
<b>Addition to Property, Plant and Equipment</b>		
In India	3,781.83	2,953.22
Outside India	–	–
<b>Total</b>	<b>3,781.83</b>	<b>2,953.22</b>

## 44 Related Party Disclosure

### (i) List of Related Parties

#### Enterprises in which relative of key management personnel have significant influence

- Hare Krishna Bath Fittings LLP
- Alkoxide Fine Chem Private Limited
- Globe BioCare
- Ami Procure Private Limited
- Religen Inc
- Prodigy Biotech Inc

#### Independent Director

- Girikrishna S. Maniar
- Hetal M. Gandhi
- Richa M. Goyal
- Dr. Anita Bandyopadhyay

#### Wholly Owned Subsidiary

- Ami Organics Electrolytes Private Limited

#### Joint Venture

- Ami Oncotheranostics LLC

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

## 44 Related Party Disclosure (Contd..)

### Key Managerial Personnel

- Nareshkumar R. Patel (Chairman and managing Director)
- Chetankumar C. Vagharia (Whole Time Director)
- Virendra Nath Mishra (Whole Time Director)
- Ram Mohan Lokhande (Whole Time Director)
- Abhishek H Patel (Chief Financial Officer till 31.05.2022)
- Bhavin N Shah (Chief Financial Officer wef 01.06.2022)
- Ekta Kumari Srivastava (Company Secretary)

### Relative of KMP

- Shitalben Patel – Wife of Nareshkumar R. Patel
- Parulben C. Vagharia – Wife of Chetankumar C. Vagharia
- Chhagan R Vagharia – Father of Chetankumar C. Vagharia
- Bhanuben C Vagharia – Mother of Chetankumar C. Vagharia
- Avinash Kumar – Brother of Ekta Kumari Srivastava

### (ii) Related Party Transactions

The related party relationships have been determined on the basis of the requirements of the Indian Accounting Standard (Ind AS) -24 'Related Party Disclosures' and the same have been relied upon by the auditors.

The relationships as mentioned above pertain to those related parties with whom transactions have taken place during the current year /previous year, except where control exists, in which case the relationships have been mentioned irrespective of transactions with the related party.

Particulars	Relationship	For the year ended 31 March 2023	Rs. in Lakhs For the year ended 31 March 2022
<b>Remuneration &amp; Allowance to KMP</b>			
– Nareshkumar R. Patel (CMD)	Key Managerial Personnel	1,243.78	956.60
– Chetankumar C. Vagharia (WTD)	Key Managerial Personnel	468.60	405.50
– Virendra Nath Mishra (WTD)	Key Managerial Personnel	462.00	400.00
– Ram Mohan Locande (WTD)	Key Managerial Personnel	132.00	85.50
– Abhishek H Patel (CFO till 31.05.2022)	Key Managerial Personnel	121.28	16.50
– Bhavin N Shah (CFO wef 01.06.2022)	Key Managerial Personnel	6.00	35.10
– Ekta Kumari Srivastava (CS)	Key Managerial Personnel	41.67	–
		<b>467.66</b>	<b>–</b>
<b>Dividend Paid</b>			
– Nareshkumar R. Patel (CMD)	Key Managerial Personnel	120.11	–
– Chetankumar C. Vagharia (WTD)	Key Managerial Personnel	92.93	–
– Virendra Nath Mishra (WTD)	Key Managerial Personnel	18.90	–
– Shitalben Patel	Relative of KMP	118.13	–
– Parulben C. Vagharia	Relative of KMP	97.13	–
– Chhagan R Vagharia	Relative of KMP	10.22	–
– Bhanuben R Vagharia	Relative of KMP	10.26	–
		<b>20.70</b>	<b>18.30</b>
<b>Sitting Fee</b>			
– Girikrishna S. Maniar	Independent Director	5.70	6.30
– Hetal M. Gandhi	Independent Director	5.10	5.70

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

## 44 Related Party Disclosure (Contd..)

Particulars	Relationship	Rs. in Lakhs	
		For the year ended 31 March 2023	For the year ended 31 March 2022
- Richa M. Goyal	Independent Director	6.60	5.70
- Dr. Anita Bandyopadhyay	Independent Director	3.30	0.60
<b>Commission</b>		<b>39.30</b>	<b>12.30</b>
- Girikrishna S. Maniar	Independent Director	14.30	5.70
- Hetal M. Gandhi	Independent Director	14.90	6.30
- Richa M. Goyal	Independent Director	3.40	0.30
- Dr. Anita Bandyopadhyay	Independent Director	6.70	-
<b>Advance Against Sale of Immovable Property</b>		<b>0.50</b>	-
- Ekta Kumari Srivastava (CS)	Key Managerial Personnel	0.50	-
<b>Share Subscription Money</b>		<b>1.00</b>	-
- Ami Organics Electrolytes Private Limited	Wholly Owned Subsidiary	1.00	-
<b>Loan Given</b>		<b>21.00</b>	-
- Ami Organics Electrolytes Private Limited	Wholly Owned Subsidiary	21.00	-
<b>Interest Charged on Loan Given</b>		<b>0.73</b>	-
- Ami Organics Electrolytes Private Limited	Wholly Owned Subsidiary	0.73	-
<b>Reimbursement of Expenses Receivable</b>		<b>8.94</b>	-
- Ami Organics Electrolytes Private Limited	Wholly Owned Subsidiary	8.94	-
<b>Advances for Land received back</b>		<b>-</b>	<b>1,080.00</b>
- Shitalben Patel	Relative of KMP	-	540.00
- Chetankumar C. Vaghasia (WTD)	Key Managerial Personnel	-	540.00
<b>Interest Received</b>		<b>-</b>	<b>3.75</b>
- Shitalben Patel	Relative of KMP	-	1.68
- Chetankumar C. Vaghasia (WTD)	Key Managerial Personnel	-	2.07
<b>Remuneration &amp; Allowance to Relative of KMP</b>		<b>1.90</b>	-
- Avinash Kumar	Relative of KMP	1.90	-
<b>Purchase of Bath Accessories</b>		<b>0.99</b>	<b>0.51</b>
- Hare Krishna Bath Fittings LLP	Enterprises in which relative of key management personnel have significant influence	0.99	0.51
<b>Purchase of raw Material</b>		<b>83.41</b>	<b>57.55</b>
- Alkoxide Fine Chem Private Limited	Enterprises in which relative of key management personnel have significant influence	83.41	57.55
<b>Parking Rent</b>		<b>23.61</b>	-
- Globe BioCare	Enterprises in which relative of key management personnel have significant influence	23.61	-
<b>Transfer of Key Man Insurance Policy to Company at Surrender Value</b>		<b>51.88</b>	-
- Nareshkumar R. Patel (CMD)	Key Managerial Personnel	28.53	-
- Chetankumar C. Vaghasia (WTD)	Key Managerial Personnel	23.34	-

### Balances of Related Party Outstanding at the end of year

Particulars	Rs. in Lakhs	
	For Year ended 31 March 2023	For Year ended 31 March 2022
Advance received against Sale of Immovable Property	0.50	-
Trade Payable	57.47	16.66
Loan Given	21.00	-
Interest Receivable against Loan Given	0.73	-
<b>Total</b>	<b>79.70</b>	<b>16.66</b>

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

## 45 Financial Instrument

### A. Financial Assets and Liabilities

#### Financial Instrument by Category

The carrying value and fair value of financial instrument by categories as of 31 March 2023 were as follows:

Particulars	As at 31 March 2023			As at 31 March 2022			Rs. in Lakhs
	Amortised Cost	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	
<b>Assets Measured at 31 March 2023</b>							
Investments	165.07	—	—	171.31	—	—	
Cash and cash equivalent	3,053.26	—	—	1,029.66	—	—	
Other bank balances	2,813.76	—	—	8,925.49	—	—	
Loans	133.57	—	—	65.39	—	—	
Other financial assets	23,650.22	—	—	17,455.95	—	—	
<b>Total</b>	<b>29,815.88</b>	<b>—</b>	<b>—</b>	<b>27,647.80</b>	<b>—</b>	<b>—</b>	
<b>Liabilities Measured at 31 March 2023</b>							
Borrowings	360.03	—	—	84.41	—	—	
Trade payables	14,204.77	—	—	11,841.76	—	—	
<b>Total</b>	<b>14,564.80</b>	<b>—</b>	<b>—</b>	<b>11,926.17</b>	<b>—</b>	<b>—</b>	

\*Excludes investments (in equity shares) in subsidiary, joint venture and associate companies | entities which are carried at cost and hence are not required to be disclosed as per Ind AS 107 "Financial Instruments Disclosures".

#### Fair Value Hierarchy

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 – Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

There have been no transfers among Level 1, Level 2 and Level 3 during the period.

The management assessed that cash and cash equivalents, Trade receivable and other financial asset, trade payables and other financial liabilities approximate their carrying amount largely due to short term maturity of these instruments.

#### Financial Risk Management – Objectives and Policies

The risk management policies of the Company are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Management has overall responsibility for the establishment and oversight of the Company's risk management framework.

In performing its operating, investing and financing activities, the Company is exposed to the Credit risk, Liquidity risk and Market risk.

#### Carrying Amount of Financial Assets and Liabilities:

The following table summaries the carrying amount of financial assets and liabilities recorded at the end of the period by categories:

Particulars	For Year ended 31 March 2023	For Year ended 31 March 2022	Rs. in Lakhs
<b>Financial assets</b>			
Cash and cash equivalent	3,053.26	1,029.66	
Bank balances other than above	2,813.76	8,925.49	
Trade receivables	23,026.11	16,370.22	

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

## 45 Financial Instrument (Contd..)

Particulars	Rs. in Lakhs	
	For Year ended 31 March 2023	For Year ended 31 March 2022
Loans	133.57	46.41
Other Current asset	5,741.64	4,855.23
Other financial assets	624.11	1,085.73
<b>At end of the year</b>	<b>35,386.90</b>	<b>32,249.22</b>
<b>Financial liabilities</b>		
Borrowings	360.03	84.41
Trade payables	14,204.77	11,841.08
<b>At end of the year</b>	<b>14564.80</b>	<b>11,925.49</b>

### B. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits and derivative financial instruments.

#### (a) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Company has interest rate risk exposure mainly from changes in rate of interest on borrowing & on deposit with bank. The interest rate are disclosed in the respective notes to the financial statements of the Company. The following table analyse the breakdown of the financial assets and liabilities by type of interest rate:

##### (i) Exposure to Interest Rate Risk

Particulars	Rs. in Lakhs	
	As at 31 March 2023	As at 31 March 2022
Borrowing bearing fixed rate of interest	58.80	84.40
Borrowing bearing variable rate of interest	301.23	–
<b>Total</b>	<b>360.03</b>	<b>84.40</b>

##### (ii) Sensitivity Analysis

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the excluding the credit exposure for which interest rate swap has been taken and hence the interest rate is fixed. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Rs. in Lakhs	
	As at 31 March 2023	As at 31 March 2022
Interest Rate - Increase by 50 basis points	(1.39)	(0.84)
Interest Rate - Decrease by 50 basis points	1.39	0.84

#### (b) Foreign Currency Risk

The Company operates internationally and the major portion of business is transacted in USD & EURO. The Company has Sales, Purchase, (etc.) in foreign currency. Consequently, the Company is exposed to foreign exchange risk.

Foreign exchange exposure is partially balanced by purchasing in goods, commodities and services in the respective currencies.

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

## 45 Financial Instrument (Contd..)

The company evaluate exchange rate exposure arising from foreign currency transactions and the company follows established risk management policies, including the use of derivatives like foreign exchange forward contracts to hedge exposure to foreign currency risk.

Foreign currency exposures not specifically covered by natural hedge and forward exchange contracts as at year end are as follows:

### (i) Exposure to Foreign Currency Risk

Particulars	As at 31 March 2023	Current year Amount in Rs.	As at 31 March 2022	Rs. in Lakhs	
				Previous year Amount in Rs.	
USD	93.39	7,598.97	30.41	2,308.49	
EUR	41.77	3,617.38	41.34	3,481.59	
<b>Total</b>	<b>135.16</b>	<b>11,216.35</b>	<b>71.76</b>	<b>5,790.08</b>	

### (ii) Sensitivity Analysis

1% increase or decrease in foreign exchange rates will have the following impact on profit before tax

Particulars	As at 31 March 2023	Rs. in Lakhs	
		As at 31 March 2022	
INR/USD - Increase by 5%	(18.38)	(23.08)	
INR/USD - Decrease by 5%	18.38	23.08	
INR/EUR - Increase by 1%	(0.36)	(34.82)	
INR/EUR - Decrease by 1%	0.36	34.82	

## C. Credit Risk

Financial assets that are potentially subject to concentrations of credit risk and failures by counterparties to discharge their obligations in full or in a timely manner consist principally of cash balances with banks, cash equivalents and receivables, and other financial assets. The maximum exposure to credit risk is: the total of the fair value of the financial instruments and the full amount of any loan payable commitment at the end of the reporting year. Credit risk on cash balances with banks is limited because the counterparties are entities with acceptable credit ratings. Credit risk on other financial assets is limited because the other parties are entities with acceptable credit ratings.

As disclosed in Note 10 (a), cash and cash equivalents balances generally represent short term deposits with a less than 90-day maturity.

As part of the process of setting customer credit limits, different credit terms are used. The average credit period generally granted to trade receivable customers is about 90–360 days. But some customers take a longer period to settle the amounts.

Particulars	Rs. in Lakhs	
	As at 31 March 2023	As at 31 March 2022
Low Credit Risk	–	–
Cash and Cash Equivalents	3053.26	1029.66
Bank balances other than above	2,813.76	8,925.49
Loans	133.58	65.39
Trade Receivables	23,026.11	16370.22
Other financial assets	624.11	1,085.73
Investments	3,345.28	3,340.43
<b>Total</b>	<b>32,996.09</b>	<b>30,816.92</b>

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

## 45 Financial Instrument (Contd..)

### D. Liquidity Risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including debt and overdraft from banks at an optimised cost.

The Company maximum exposure to credit risk for the components of the balance sheet at 31 March 2022 and 31 March 2021 is the carrying amounts. The liquidity risk is managed on the basis of expected maturity dates of the financial liabilities. The average credit period taken to settle trade payables is about 90 days. The other payables are with short-term durations. The carrying amounts are assumed to be a reasonable approximation of fair value. The following table analysis financial liabilities by remaining contractual maturities:

#### Financing Arrangements:

Particulars	Rs. in Lakhs	
	As at 31 March 2023	As at 31 March 2022
Expiring within one year		
- CC/EPC Facility	277.06	-

#### Note:

Axis Bank EPC Loan Secured against Fix Deposit with Axis Bank Limited

#### Maturity Table for Financial Liabilities

##### For Current Year

Particulars	Less than 1 year	1- 2 Years	2-3 Years	More than 3 Years	Rs. in Lakhs
					Total
Borrowings	297.44	62.59	-	-	360.03
Trade Payables	14,204.77	-	-	-	14,204.77
Other Financial Liabilities	-	-	-	-	-
<b>Total</b>	<b>14,502.21</b>	<b>62.59</b>	<b>-</b>	<b>-</b>	<b>14564.80</b>

##### For Previous Year

Particulars	Less than 1 year	1- 2 Years	2-3 Years	More than 3 Years	Rs. in Lakhs
					Total
Borrowings	25.60	58.81	-	-	84.41
Trade Payables	11,841.14	0.62	-	-	11,841.76
Other Financial Liabilities	-	-	-	-	-
<b>Total</b>	<b>11,866.74</b>	<b>59.43</b>	<b>-</b>	<b>-</b>	<b>11,926.17</b>

### E. Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep optimum gearing ratio. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations.

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

## 45 Financial Instrument (Contd..)

Particulars	Rs. in Lakhs	
	As at 31 March 2023	As at 31 March 2022
Total Borrowings	360.03	84.40
Trade Payables	14,204.77	11,841.76
Less: Cash and cash equivalents	(3,053.26)	(966.14)
<b>Net Debts (A)</b>	<b>11,511.54</b>	<b>10,960.02</b>
<b>Total Equity</b>	<b>59,395.92</b>	<b>52,227.40</b>
<b>Total Debt plus Equity (B)</b>	<b>70,907.46</b>	<b>63,187.42</b>
<b>Capital Gearing Ratio (B/A)</b>	<b>16.23%</b>	<b>17.35%</b>

**Note:**

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

## 46 Income Tax

Particulars	Rs. in Lakhs	
	As at 31 March 2023	As at 31 March 2022
<b>Current income tax:</b>		
Current income tax charge	2,637.72	1,672.15
Deferred tax: Relating to origination and reversal of temporary differences (Net)	250.49	278.28
<b>Total</b>	<b>2,888.21</b>	<b>1,950.43</b>

The tax rate used for the reconciliation above is the corporate tax rate payable by corporate entity in India on taxable profits under the Indian tax law. The Company elected to exercise the option permitted under Section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 which gives a one time irreversible option to domestic companies for payment of corporate tax at reduced rates. Accordingly, the Company has re-measured its deferred tax asset (net) basis the rate prescribed in the said section.

A Reconciliation of income tax provision to the amount computed by applying the statutory income tax rate to the income before Income taxes is summarized as follow:

### Reconciliation of Income Tax Provision

Particulars	Rs. in Lakhs	
	As at 31 March 2023	As at 31 March 2022
Profit before income tax	11,217.18	9,145.04
Rate of Income tax	25.17%	25.17%
Computed expected tax expenses	2,824.70	2,301.62
Additional allowances for tax purpose	47.01	(455.37)
Expenses not allowed for tax purposes	45.77	37.86
Provision for Employee benefit not allowed for tax purpose	0	6.79
Depreciation As per Companies Act 2013	310.66	253.70
Depreciation As per Income Tax Act	(590.41)	(488.66)
Interest on late payment of advance tax		
Additional Tax payable due to MAT provisions		
<b>Total</b>	<b>2,637.72</b>	<b>1,655.94</b>

Applicable statutory tax rate for financial year 2022-23 is 25.17% (Previous year 2021-22 is 25.17%)

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

## 47 Gross Movement in Current Income Tax Assets & Liabilities

Particulars	Rs. in Lakhs	
	As at 31 March 2023	As at 31 March 2022
<b>Net current income tax asset/(liability) at the beginning</b>	494.06	(115.16)
Adjustments in respect of Previous year	20.31	-
Income tax paid	2,445.44	2,281.38
<b>Current tax expenses</b>	(2,637.72)	(1,672.15)
<b>Total</b>	<b>322.09</b>	<b>494.06</b>

48 Company has filed all charges within due dates with ROC

## 49 Ratio Analysis

Particulars	Numerator/ Denominator	UoM	As at	As at	Change in %	Remark for Daviation
			31 March 2023	31 March 2022		
(a) Current Ratio	Current Assets Current Liabilities	Times	2.89	3.32	-12.95%	-
(b) Debt-Equity Ratio	Total Debts Equity	Times	0.01	0.00	251.27%	Repayment of Debt in FY 2022 through IPO proceed.
(c) Debt Service Coverage Ratio	Earning available for Debt Service Interest + Instalments	Times	436.21	0.61	71409.84%	Repayment of Debt in FY 2022 through IPO proceed.
(d) Return on Equity Ratio	Profit after Tax Average Shareholder's Equity	Percentage	0.15	0.21	-28.57%	Higher Weighted Average Number of Shares in FY 2023 v/s FY 2022 Due to IPO in Sept 2021
(e) Inventory turnover ratio	Total Turnover Average Inventories	Times	2.86	3.16	-9.49%	-
(f) Trade receivables turnover ratio	Total Turnover Average Account Receivable	Times	3.13	3.66	-14.48%	-
(g) Trade payables turnover ratio	Total Purchases Average Account Payable	Times	2.57	3.17	-18.93%	-
(h) Net capital turnover ratio	Total Turnover Net Working Capital	Times	2.01	1.73	16.18%	-
(i) Net profit ratio	Net Profit Total Turnover	Percentage	14.00%	14.00%	0.00%	-
(j) Return on Capital employed	Net Profit Capital Employed	Percentage	18.97%	18.00%	5.39%	-

## 50 CSR Expenditure

Particulars	Rs. in Lakhs	
	As at 31 March 2023	As at 31 March 2022
Amount required to be spent by the company during the year	132.12	93.57
Amount of expenditure incurred	137.21	93.92
Shortfall at the end of the year	(5.09)	(0.35)
Total of previous years shortfall	-	-
Movement in the provision	-	-

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

## 50 CSR Expenditure (Contd..)

### Nature of CSR activities

Total CSR Contribution during the year is Rs. 139.43 Lakh out of which Rs. 137.21 Lakh is qualified as CSR Expense for the year FY 2022-23

## 51 Other statutory information

- a) The Company has not entered into any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- b) The Company has complied with the number of layers prescribed under clause (87) of Section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- c) The Company is not declared wilful defaulter by any bank or financial institution or other lenders.
- d) The Company has not traded or invested in crypto currency or virtual currency during the financial year.
- e) The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the year.
- f) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made there under.
- g) No loans or advances in the nature of loans are granted to promoters, Directors, Key Managerial Personnel and the related parties (as defined under the Companies Act, 2013) either severally or jointly with any other person.

## 52 Subsequent Events

No subsequent event has been observed which may require an adjustment to the statement of financial position.

**53** In the opinion of the Management, current assets, loans, advances and deposits are approximately of the value stated, if realised in the ordinary course of business and are subject to confirmation.

**54** Balances in the accounts of Trade Receivables, Loans and Advances, Trade Payables and Other Current Liabilities are subject to confirmation / reconciliation, if any. The management does not expect any material adjustment in respect of the same effecting the financial statements on such reconciliation / adjustments.

The estimates at 31 March 2023 and 31 March 2022 are consistent with those made for the same dates in accordance with Ind As(after adjustments to reflect any differences in accounting policies).

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

**55** There was no impairment loss on the fixed assets on the basis of review carried out by the management in accordance with Indian Accounting Standard (Ind AS)-36 'Impairment of Assets'.

The tax rate used for the reconciliation above is the corporate tax rate payable by corporate entities in India on taxable profits under the Indian tax law.

The Company has elected to exercise the option permitted under Section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 which gives a one time irreversible option to domestic companies for payment of corporate tax at reduced rates. Accordingly, the Company has re-measured its deferred tax asset (net) basis the rate prescribed in the said section.

**56** Previous years figure have been regrouped/rearranged wherever necessary, to correspond with the current year classification / disclosures.

**57** The balance sheet, statement of profit and loss, cash flow statement, statement of changes in equity, statement of significant accounting policies and the other explanatory notes forms an integral part of the financial statements of the Company for the year ended March 31, 2023.

## Signature to Notes "1 to 57"

As per our report of even date attached

For **Maheshwari & Co.**  
Chartered Accountants  
FRN 105834W

**Pawan Gattani**  
Partner  
M.No: 144734

Place: Surat  
Date: May 13, 2023

For and on behalf of the Board of Directors of **Ami Organics Limited**

**Nareshkumar R. Patel**  
Chairman & Managing Director  
DIN: 00906232

**Chetankumar C. Vagharia**  
Whole Time Director  
DIN: 01375540

**Bhavin Shah**  
Chief Financial Officer  
PAN: AXXPS0017M

**Ekta Kumari**  
Company Secretary  
M No: A - 27323





AMI ORGANICS LIMITED

**Registered Office**

Plot No. 440/4, 5 & 6, Road No. 82/A,  
GIDC Sachin, Surat – 394 230 Gujarat, India

[www.amiorganics.com](http://www.amiorganics.com)

